

***APPROVED MINUTES*** of the City Council  
Budget Workshop of the City Council of the  
City of Rye held on November 28, 2005 at  
7:00 P.M.

PRESENT:

STEVEN OTIS, Mayor  
FRANKLIN CHU  
MATTHEW FAHEY  
DUNCAN HENNES  
ROSAMOND LARR  
HOWARD G. SEITZ  
Councilmen

ABSENT:

ROBERT CYPHER

1. Pledge of Allegiance

Mayor Otis called the meeting to order and invited the Council to join in the Pledge of Allegiance.

2. Roll Call

Mayor Otis asked the City Clerk to call the roll; a quorum was present to conduct official city business.

3. Discussion of 2006 Budget

City Manager Paul Shew said there were several major topics that had been raised and are in need of discussion. He pointed out that several of the topics were covered in attachments handed out to the Council earlier.

**Update on Theall Road.**

Theall Road has a rating of 33 by the Pavement Management Program. The average is 73 and a road in perfect condition would be 100. Clearly it is in need of repair and the question of whether or not this is necessary has been going on for 20 years. There was even talk in the past about closing it. Next steps for purposes of the budget would be to update the three year-old figure of \$950,000 taking a look at current costs, both hard and soft. Paying for it could be done without referendum, but if several highway projects were planned together they could be subject to a referendum. Would it pass? Perhaps, if it were broad based. There is a significant taxpayer base which uses it. Councilman Hennes asked if there was any alternative, such as making it two driveways

instead of a through road. This would divide The Osborn entrances; it would push more traffic onto Osborn Road and the Boston Post Road, increasing congestion at the Osborn School; it could increase emergency response time in case of fire or need for EMS services. If it were redone would it create a speedway. The Mayor: the road needs work; we will have to do it someday and the costs keep escalating.

**Police Station and the Office of Court Administration (OCA)**

City Comptroller, Michael Genito said that a new ruling from the OCA has made the remediation of existing conditions at the police/court facility even less optional. A new Rule 39 has decreed that as of January 1, 2006 the City of Rye must have a Drug Coordinator with an office and a separate lavatory. There is not enough space in the Court; the police storage areas are all full. If we have to give the Court more space, we will have to give even less to the Police and the OCA gets preference (by law). It seems that we have no option but to become the hub for neighboring communities because we are a City. If we don't comply, the consequences could be that the court system stops reimbursing us for about \$50,000 of maintenance expenses. Already, the Judges have said they don't have enough space for a proper jury; nor do they have proper handicapped access. It is not economical or efficient to separate the Police and the Court. Why spend anything on the police facility now if we are going to have to do something more in the future? We have funds in the budget for new air-conditioning in the existing building because the existing system was installed in 1978 and is not working. George Pratt (Councilman elect) suggested: spending the amount recommended this year for the AC; conducting an efficiency study to reevaluate the space and then try and raise the funds to meet the mandates. The Mayor is in favor of trying to take over the building behind the police station rather than buying new land.

**Golf Club/Whitby Castle**

The City Manager said negotiations with Restaurants Associate (RAC) are, and will be, ongoing, but the issue of the book of business (what is booked for next year regardless of the contract) needs to be addressed as this is revenue to the Golf Club which will be lost if an agreement is not signed. The Commission needs to be on board with the process as it is the group empowered to come up with a solution that will not impose additional cost to the taxpayer. The belief that the castle should remain open to the public and not just be a catering service continues. A la carte business is not profitable. Mack Cunningham (Councilman elect) said he thought the issues had not been fully communicated to the RGC membership and the Commission. The consultant who has been reviewing the situation has reported that it would not be so bad to have a "dark time" in between restaurateurs (if that is to be the case). Perhaps the contract could be extended until things are sorted out. There is a question about whether anyone would be interested in taking over the operation if one already knew another group had all the catering business.

**Cost analysis for RFRR/cleaning services**

The City Manager said the scope of services required for cleaning the library had been requested and once received will be costed out and there can be a response. There has not been an increase in DPW staff for the last decade. Mr. Pratt asked what the City

gets from the library to review and oversee where the 88% of their operating funds donated by the City goes. Can the City audit the books? Do we look at loading of programs. Councilman Chu said the Council Liaison goes to the meetings, but Mr. Pratt was looking for more oversight. Ms. Teoman, Library Director, said the data is available.

### **Cable Vision**

The negotiations about what we do with the cable channels are ongoing. The budget assumes a status quo on the revenue side, but both Verizon and the Federal Government demands threaten this revenue stream. Mr. Shew has increased the compensation of current staff and hired more part-time assistance, but he is not going to look at permanent future staffing until he is assured of a steady revenue stream. He said negotiations will likely continue well into 2006. Cablevision is willing to pay, but want a level playing field with Verizon. The sticky issue of sharing Channel 77 with the Rye Neck School System was brought up by Mr. Pratt who said the school's support of the cable program and the existing 10 year relationship could be in jeopardy if the existing agreement is not renegotiated soon. The school would like this within 90 days; the Rye Cable Committee is suggesting 9 months while parallel issues are being negotiated. He said no one is saying the Rye Neck System shouldn't have more access, but an edict from the Council that Channel 77 should be shared would not be popular. Many Council members said there was no intent to pass an edict and there appears to be a failure to communicate.

### **Parking fee increases/budget procedures**

Councilman Seitz said he was not happy with the tax rate as suggested and proposed several increases in parking fees: doubling Merchant Parking and All Day/All Night permits and doubling commuter fees. He would also increase parking tickets by \$5. The Mayor said it was the accepted procedure to make such suggestions in the form of a memo and present it to the Council in advance. The City Clerk said amending commuter fees needs to be done through Metro North and that the permits for 2006 were already set. Councilman Hennes said he thought increasing merchant fees, just as they were getting used to the meters was not advisable.

A discussion of parking and the meters ensued. The Mayor wants to propose that all revenue goes back to the parking fund. Councilman Hennes said of course the merchants are going to say they don't like the meters, but he doesn't feel the meters are putting people out of business and most of the people parking are not from Rye and there is more turnover. Councilman Seitz said he is convinced if there are no people shopping because you can't make people buy what they don't want.

The Council would also like an update on the Damiano legalities and the answer about whether or not the unused funds can be used for legal fees.

4. Orientation Dates and Materials

City Manager Shew said he would like to arrange for orientation for all three new Council members, preferably together, some time before the holiday. He said former Council members are more than welcome. He passed out a memorandum outlining a couple of issues the Council has already faced which can be used as examples of the kinds of things Councils are faced with. The first was the decision to re-bid the fire truck (which turned out to have been less successful than hoped as the same bidder came back as the sole bidder again, at higher cost with less options). The second is the question of re-considering the Real Estate Transfer Tax. The matter has already been considered by the finance Committee, but it could raise over \$2 million for the City. However, this tax is hard to pass unless a real need is perceived and it must be used for a very specific purpose (infrastructure projects?).

The question of the Hotel Occupancy Tax was raised. It appears it will not pass this year so the Council will have to start again in 2006, but this tax is easier to pass than the Real Estate Transfer Tax.

As there was no further discussion on the budget, Councilman Hennes made a motion, seconded by Councilman Seitz and unanimously carried, to adjourn the budget workshop at 9.20 P.M.

Respectfully submitted,

Susan Morison  
City Clerk