

APPROVED MINUTES of the Special
Workshop Meeting of the City Council of the City of
Rye held in City Hall on June 28, 2010 at 7:30 P.M.

PRESENT:

DOUGLAS FRENCH Mayor
RICHARD FILIPPI
PAULA J. GAMACHE
PETER JOVANOVICH
SUZANNA KEITH
CATHERINE F. PARKER
JOSEPH A. SACK
Councilmembers

ABSENT: None

1. Pledge of Allegiance

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

2. Roll Call

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

Coyote Update

Mayor French said that in light of the recent coyote attack, Police Commissioner Connors would give an update on the issue of coyotes and next steps that will be taken. Commissioner Connors said that coyotes have been a fixture in Rye for many years but there has been a noticeable increase in population and activity recently. A Cornell Cooperative study indicated that the coyote population is higher in the more developed areas of the County than in the more rural areas, possibly due to food sources and a lessening of fear of human contact. There has been an increase in calls about coyote activity, all of which is consistent with normal coyote behavior. The behavior escalated in April when a small dog was killed on the grounds of The Osborn. At that time the City obtained a permit from the New York State Department of Environmental Conservation (DEC) and retained the services of a nuisance wildlife removal service, which began trapping and relocating efforts. Traps were sent at The Osborn, the Osborn Cemetery, the Rye Golf Club, the area near Johnson Place, the Marshlands and near the Playland Parkway/Crescent area. The challenge has been to find locations that are amenable to trapping, but also safe for children, people, walkers and pets. Nine coyotes were trapped and relocated. On June 25th a six-year girl was jumped on in her yard, knocked to the ground and bitten and scratched. An officer chased and fired on a coyote that was spotted a couple of blocks away near the Golf Club, but it is not believed it was hit. An extensive search was done of the Golf Club

area with the assistance of the Fire Department and County Aviation. While coyote attacks on humans are extremely rare, this attack changes the situation in Rye. The City is now using a two pronged approach: (1) trapping efforts will continue but will be more aggressive, as safety allows, and will focus on finding the coyotes in the areas where they live; and (2) assigning police officers to respond to coyote sightings and locate them in areas outside their natural habitat. The preference is for humane trapping and removal but because of the aggressive activity of the animals, more aggressive action may be taken if necessary and if it can be done safely. It is not realistic to believe that coyotes can be eliminated from the area, but hunting and trapping is necessary to instill fear in the animals. Residents are urged to exercise caution, particularly about leaving small children outdoors, and when encountering a coyote, people should act aggressively, make loud noises, waive arms, or use pepper spray and don't allow pets to run free or provide a food source. He concluded by asking residents to notify police of any coyote sightings.

Council comments:

- What is the point of view of the State and County on the level of aggressiveness? (The County does not have a role other than being the landowner for a significant amount of property where coyotes live. Animal control resources rest with the DEC. They do not encourage an aggressive approach unless there is aggressive behavior by the coyotes. Mayor French noted that the City is working with the County to coordinate access to their property and Assemblyman Latimer will work with the DEC.)
- Where were the coyotes relocated to? (Out of state, on the other side of a river.)
- Were the coyotes rabid? (It is protocol in incidents involving wild animal bites to presume there is a danger of rabies, but there has been no indication that the animals were rabid.)
- This is the number one public safety issue in Rye and the City should do whatever it takes to capture them.
- Does the DEC agree with trapping and release of coyotes? (It is the preference of the trapper. The City's permit authorizes us to trap, hunt and kill.)
- People should be more careful of how they dispose of food.
- This was an unforeseen event in the community, but the professionals rose to the occasion.

3. Tribute to retiring City Manager Frank J. Culross

Mayor French noted that this would be the retiring City Manager Frank Culross' last meeting and read the following Proclamation:

***WHEREAS**, the City of Rye became a City Manager form of Government
50 years ago in 1960; and*

***WHEREAS**, Frank J. Culross has served the City of Rye in that capacity
for 25 years, or more than half that time; and*

WHEREAS, the Citizens of Rye both during his tenure and generations to come have greatly benefited from the decisions and dedication he has given to our community; and

WHEREAS, Frank has worked with integrity and professionalism with City staff, seven Mayors and City Councils across five decades; and

WHEREAS, the time has come for the City of Rye to give back to Frank J. Culross and his ever patient wife Dorcas; now, therefore, be it

RESOLVED, that the Rye City Council pauses in its deliberations to express its appreciation to Frank J. Culross for his service, management style and contribution to the City of Rye; and be it further

RESOLVED, that we congratulate Frank J. Culross for his service, and wish him and his family much success and happiness in his retirement.

NOW, THEREFORE, I Douglas French, Mayor of the City of Rye in the year 2010 do hereby proclaim June 30th will always be recognized as Frank J. Culross Day in the City of Rye.

Council comment:

- It has been great working with Frank, who taught them so much.
- Congratulations to Frank, he is a class act.
- Thanks to Frank for patiently answering Council questions.
- Thanks for stepping in once again when he was needed.
- Frank is very professional and did a great job in guiding the new members of the Council.

Councilwoman Parker presented Mr. Culross with gifts on behalf of the Council.

Comment from former Mayors and Councilmembers included:

Former Mayor John Carey asked that the following statement be included in the record:

“In the mid-1970s, there came one of those times when Rye needed a new City Manager. We had recently been served on an interim basis by Phil McGovern, the Assessor, and by Corporation Counsel Tony Antinozzi. It was time to find someone with outstanding qualifications to lead our City Staff for the indefinite future.

“For a while, we tried to do our search on our own. We placed ads in trade publications and sat in the Conference Room with various candidates. But this

method seemed to be getting us nowhere. So we hired a search firm, at a cost that was reasonable, especially in view of who they found for us - Frank Culross.

“Frank had been sitting beside the shores of the St. Lawrence, so far as we knew perfectly happy there. But the stock in trade for the best search firms is knowing what people are doing exceptionally well where they are, do not intend to leave, and are appreciated where they are. This you cannot find out by running ads; that way you'll never know who is out there that might be a perfect fit.

“We sent our fellow Councilmember Pat Levine north to reconnoiter. She did random spot checks all around Frank's town. The verdict was unanimous - everyone liked and respected Frank. So we made him an offer, and only now, 35 years later, are we finally parting company with him.

“Frank, I am proud to have been the first Mayor to work with you as City Manager, and I'm very glad to have made life so easy for all my successors.”

Former Councilwoman Pat Levine recalled that she and former Councilman Sal Carraccio had traveled to Ogdensburg, New York in 1978 to investigate Frank when he was being considered for the position of City Manager back in the days before Google and Facebook.

Former Councilman George Pratt said that Frank was one of the top people he has worked with and that the City of Rye has benefitted from his years of service. He also read a letter from former Mayor Steve Otis that highlighted many of Mr. Culross's accomplishments during his tenures as City Manager.

Former Councilwoman Carolyn Cunningham said that she concurred with everything that has been said about Frank and that the City was blessed to have him.

Councilwoman Keith read a letter on behalf of former Mayor Ted Dunn that said working with Frank was one of the best parts of his four years as Mayor.

4. Discussion of 2011 Budget recommendations from City Staff

Mayor French said that the issue of property tax has become a dialogue not only in Rye but in other municipalities and the County this year. If the City is going to build financial sustainability in the long-term, the discussion must begin now. It is the job of the leaders of the community to have this conversation and provide direction to City staff.

David Mullane, Chairman of the Finance Committee, provided the consensus view of the Committee. He said staff has done a fantastic job in identifying areas where revenues can be generated and expenses cut, but the Committee believes that none of the actions addressed a structural budget problem facing the City. He said even with cuts in the workforce that have been made over the past two years, the City faces significant expense increases. The Committee believes that there is a sense of urgency and that it is a critical time to assess the City's fiscal

situation. He then provided the Committee's comments on the presentation made by Comptroller Jean Gribbins at the June 14th City Council meeting that dealt with items that would increase the tax rate and items that might mitigate the tax increase.

- Increase in health insurance costs (25% increase) – It is a fact and the Committee cannot express a view on it. The public needs to be informed because health care costs account for a significant portion of a tax increase.
- Increase in contributions to the NYS Retirement System – It is mandated by law and there is no remedial action that can be taken.
- Decrease in assessed value in property tax rate – The grievance process is underway and the Council should prepare for a decrease in assessed value that could be greater than .5%.
- Salary increases of 2% for all employees – The Committee rejects this proposal and recommends a wage freeze for all employees in 2011.
- Increase in debt service caused by the recently completed \$3.45 million of borrowing – It was borrowed at a good rate (3%) so no action can be taken. The City is considering borrowing from the Golf Club to pay the fifth installment of the payment for 1037 Boston Post Road, which would be at a favorable rate.

The Committee recommends that the City Council establish two task forces as Finance Committee Subcommittees. (1) A Benefits Task Force, which would examine how the City can mitigate the impact of escalating employee and retirement benefit costs. The objectives would include identifying what the benefits currently are; an analysis of best practices comparing Rye with other communities; and, an improvement of domain expertise regarding the rules and regulations governing benefits and salary agreements. (2) An Outsourcing Task Force, which would establish the areas where the City could outsource some of its services or engage in cost sharing initiatives with neighboring communities. It would also look at best practices; determine what services currently provided by the City could be outsourced at a lower cost; examine the frequency of the services currently provided by the City; determine if savings could be obtained by combining purchasing activities; and look for reimbursed costs.

Comments by the Finance Committee relative to the Comptroller's proposals to decrease any potential tax increase included:

- Proposal to require Rye Recreation to cover 50% of all expenses – Rye Rec is currently responsible for recovering 35% of its expenses. The Committee believes this should be a goal but not a mandate and suggests that the discretion on how to achieve the goal be left to the Recreation Department and Commission.
- Reducing funding to the Rye Free Reading Room – The Committee supports the proposal but also advises leaving the determination of how this would be done to the Library.
- Doubling parking permit fees and meter fees – The Committee supports doubling the parking permit fees at the train station, but does not support increasing parking meter rates due to the potential impact it would have on local merchants. The Committee suggested reducing the time allotted for \$.25 to 20 minutes. They recommend that other parking permit fees remain flat. Additional revenue may come from better enforcement of parking violations.

- Proposal to change solid waste collection schedule – The Committee agrees with the proposal to change the pickup schedule, but does not recommend curbside pickup.
- Additional Contribution from the Golf Club General Fund – The Committee supports the recommendation but believes the Golf Club should determine the best way to raise capital for the additional contribution. The Committee feels there is a lack of clarity regarding how the Enterprise Fund model works and suggested the Council might consider an Enterprise Fund Task Force to examine how financial best practices could be applied in order for additional revenue to be raised.
- Interest Savings on 1037 Boston Post Road – The savings are contingent on the City paying off the \$5 million loan, but the Committee thinks the City should have a contingency plan in place in the event that promised State funding or reimbursement for projects does not arrive on a timely basis. The Committee would be willing to work with City staff to look at other uses for the property.
- Reorganization of uniformed services – The Committee supports the staff recommendation and suggests that some things may be done regarding operational efficiency.

Additional input from the Finance Committee:

- The Committee opposes any change to the principles regarding the Undesignated/Unreserved Fund Balance and does not believe it should be invaded unnecessarily.
- The Committee agrees with the decision to defer all but the most essential capital projects in 2011, except possibly projects that would cause the City to lose State CHIPS revenue.
- The Committee will put a working group together to examine the issue of debt limitations in the Charter, but the view of the majority is that the Charter limitations serve as an appropriate balance on excessive debt accumulation.
- The Committee is opposed to any change to the current procedure that has referendums occurring in November elections.
- The Committee thinks there should be an examination of expenses with respect to Rye Town Park.

Council comments and questions included:

- The Committee seems to be rolling back some of the proposals made by staff to reach a 0% tax increase. What would the tax increase be if the Committee's proposals were accepted? (It will be provided to the Council, but is probably very close to the staff amount.)
- The City should probably reserve 2% for salary increases due to bargaining agreements.
- What does the Committee think would be a reasonable fee for Golf Course users to pay to allow the Golf Club to contribute more money back to the City? (The Committee did not discuss that in their analysis.)
- There are many hard decisions to be made by the User Groups in order for them to find savings.

- Has there been any dialogue with Metro North regarding raising commuter parking permit fees? (City Manager Culross said that any change in commuter fees requires negotiation with Metro North.)
- Did the Committee forecast the sales tax and mortgage tax revenues? (It was assumed that there would not be a material increase in 2011 and many are worried about 2012.)
- What would happen if commuter fees are raised and Metro North was not told? (Metro North owns the property and they take 50% of the gross. They could cancel the lease and find an alternative way of managing the parking.)
- Has the City considered charging a fee for bulk pick-up? (There already are fees charged for larger items.)
- The public must be shown what a 0% tax increase means.
- Should the City analyze scenarios for what will happen for the next three years if costs for health and pensions continue to increase? (The Committee would be willing to do so if the Council requested it.)
- Could the Committee look into the issue of retirement incentives and make a recommendation.

The Mayor then offered the floor to individual stakeholder groups that were listed in the recommendations:

Robert Porto of the Rye Camera Shop and Lisa Guarino, President of the Chamber of Commerce, spoke about the possibility of doubling parking fees and how it would affect the merchants. They felt that doubling the parking fees would be detrimental to business because it would discourage visitors to the Central Business District and decrease sales tax revenue as well as put additional burden on employees. They suggested extending the hours for parking meters into the evening and putting advertizing on the receipts from the meters to generate additional revenue.

Bart DiNardo, Chair of the Recreation Commission, said the Commission would like to sit down with the Finance Committee and review their suggestions. He said it was important to understand what the Rec's user groups actually contribute before raising their fees. A 50% recovery rate may not be obtainable because it will exclude many people from programs and effect current and potential users of Recreation programs.

Frank Adimari, 12 Hammond Place, asked how the City would be asking the Golf Club to contribute an extra \$95,000 – as a straight fee or an addition to the amount the City charges the Club for services? City Manager Culross said it has not been determined. It would be up to the Golf Club to determine how the money is generated.

Kurt Haedler, Director of the Rye Free Reading Room, said it was important when talking about cuts to the Library to frame them in terms of the impact on the community. Library programs are paid for by private funding and the Library has little opportunity to go out and seek additional revenue. Cutting funding to the Library by \$190,000 could have a great impact on the collections or hours of operation. They are happy to work with the Finance Committee to make sure the Library fits in with the City's ongoing fiscal goals, but a 16.5% cut in their income from the City would be a devastating blow.

Additional comments by the Council:

- The concept of a 0% tax increase or as close to 0% as possible is good. The City Manager and the Finance Committee have presented plans that essentially reach that goal.
- The Finance Committee did a good job in modulating the original proposal.
- A way must be found to help the Library – a 16% cut is too onerous.
- “Targeted” retirement incentives are a good idea to explore.
- Staff should look at reengineering the way the City delivers services in order to achieve the highest utilization rate.
- The idea of decreasing the amount of meter time from 30 minutes to 20 minutes for \$.25 should be brought back to the Chamber of Commerce for comment.
- Some special interest groups have expressed their concerns this evening but the Council can’t sound like a special interest group and must take all facts into consideration.
- If possible staff should look at future trends for the next three years.
- The City should look at consolidating some programs with other municipalities and look at alternative revenue streams and operating models.
- The slate of recommendations is sound, but it is the responsibility of the Council to make the decisions.
- The City’s user groups should look into sharing the limited resources.

5. Adjournment

Councilman Jovanovich made a motion, seconded by Councilman Filippi and unanimously carried, to adjourn into Executive Session at 9:39 p.m. to discuss real estate and litigation matters.

Mayor French made a motion, seconded by Councilman Filippi and unanimously carried, to adjourn the Executive session at 10:50 p.m. No decisions were made.

There being no further business to discuss, Mayor French made a motion, seconded by Councilman Filippi and unanimously carried, to adjourn the meeting at 10:51 p.m.

Respectfully submitted,

Dawn F. Nodarse
City Clerk