

***DRAFT UNAPPROVED MINUTES*** of the  
Regular Meeting of the City Council of the City of  
Rye held in City Hall on November 7, 2018, at 8:30  
P.M.

PRESENT:

JOSH COHN, Mayor  
SARA GODDARD  
EMILY HURD  
JULIE SOUZA  
BENJAMIN STACKS  
DANIELLE TAGGER-EPSTEIN  
Councilmembers

ABSENT:

RICHARD MECCA  
Councilmember

The Council convened at 6:30 P.M. Councilwoman Souza made a motion, seconded by Councilman Stacks, to adjourn immediately into executive session at 6:30 P.M. to discuss personnel and litigation matters. At 7:29 P.M., Councilwoman Souza made a motion, seconded by Councilman Stacks, to adjourn the executive session and commence a public workshop on the issue of food composting in Rye.

The regular meeting of the City Council began at 8:56 P.M.

1. Pledge of Allegiance.

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

2. Roll Call.

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

3. General Announcements

Councilwoman Tagger-Epstein shared that there will be an interfaith Thanksgiving service on November 18, 2018 at 4:00 P.M at the Community Synagogue of Rye. She also said that there was a recent interfaith vigil, attending by almost 500 members of the community, who stood in solidarity after the recent anti-Semitic massacre in Pittsburgh. She hoped the spirit of community continued through the holiday season.

Councilwoman Souza announced that Mistletoe Magic would be held on Sunday, November 25, 2018 from noon to 3:00 p.m., hosted and sponsored by the Chamber of Commerce. She encouraged all to attend.

4. Draft unapproved minutes of the regular meetings of the City Council held October 3, 2018 and October 17, 2018.

Councilwoman Hurd made a motion, seconded by Councilwoman Souza and unanimously carried, to adopt the minutes of the regular meetings of the City Council held October 3, 2018 and October 17, 2018.

5. Consideration of a Memorandum of Agreement (MOA) between the City of Rye and the Rye Police Association of the City of Rye.

Mayor Cohn announced that the Council was very pleased to have a new contract with the Rye PBA, which has been out of a contract for nearly three years. The City has come to an agreement with the PBA that will last until 2023. Mayor Cohn thanked Gabe Caputo and the PBA for their hard work and positive spirit in making this agreement happen. He said that both parties had to leave things wanted on the table, but both have gained in the relationship. The PBA recognized vital City interests. For that and their service, the Council is very grateful. Mayor Cohn thanked attorney Vince Toomey and City Manager Marcus Serrano for their hard work.

Councilwoman Hurd made a motion, seconded by Councilwoman Tagger-Epstein, to adopt the following resolution:

**RESOLVED**, that the City Manager is authorized to execute a Memorandum of Agreement (MOA) between the City of Rye and the Rye Police Association of the City of Rye, to expire in 2023.

**ROLL CALL:**

AYES: Mayor Cohn, Councilmembers Goddard, Hurd, Souza, Stacks, Tagger-Epstein

NAYS: None

ABSENT: Councilman Mecca

6. Presentation of the FY 2019 Budget by the City Manager.

City Manager Serrano thanked the Council. He said presenting the budget was a very important matter laid out in the City Charter. He thanked the department heads and said he was looking forward to the public workshops on the budget, to be held November 14 and 26, 2018. The final budget must be adopted by December 31, 2018. He said that the increase in tentative taxes are 2.28%. This puts the City below the tax cap by \$176,000. He said that staff and the Finance Committee took a deep dive in revenues to try to offset any tax rate increase. Concerning the taxable value of the City, there was a small decrease for the second year in a row. City Manager Serrano also said that the main reason for the increase in taxes are employee benefits.

Some positive budget items were retirement contribution and a decrease in workers comp program for the second year in a row. He said that this year, as every year, he and Deputy Comptroller Fazzino closely reviewed every single line item in the budget. On page 2.3 of the budget message, there is a more detailed increase or decrease. The biggest increase has been capital expenditures. Reliance on property taxes went down this year by 1.6% due to a close look at revenues. The new tax rate will be 176.76. There are still several unions to negotiate with. City Manager Serrano said that for the fifth year in a row, there has been a stabilization of retirement, created by new tier created in 2012. There is currently an anticipated \$2,530,000 fund balance for capital projects. He said that the City would need to plan for the long-term needs of the sanitary sewer needs associated with influx and infiltration. On the Boat Basin, the City is looking at an increase of \$69,000 in the new year. For the Golf Club, there would be a \$396,000 fund balance in the coming year, as well as a fund balance in Rye TV. City Manager Serrano thanked the department heads for their hard work in another difficult year. He said he was happy to announce that the current proposed budget was below the tax cap. He said that the budget would allow the City to provide essential services that the residents are looking to receive and deserve, and do so in a reasonable way. He hoped that this proposed budget was a starting point. In closing, city Manager Serrano thanked Deputy Comptroller Fazzino, the Finance Department, and City staff for hard work on a daily basis to put this budget together. He thanked the Finance Committee who spent a lot of time reviewing all budget issues for the year. He thanked Chairman Usry for his dedication to the process. City Manager Serrano recognized Deputy Comptroller Fazzino, who does a fantastic job each year. Mr. Fazzino's work on the budget earns the City two awards each year; one for the budget presentation and one for the finance reports. City Manager Serrano thanked the City boards and commissions. He said it was a pleasure to work with the residents of Rye.

Mayor Cohn thanked City Manager Serrano, and introduced City Comptroller Fazzino to make the annual budget presentation.

Deputy Comptroller Fazzino addressed the Council and presented the proposed 2019 budget. He stated that he was focusing on the general fund for the presentation, and started with the 2018 results. He made presented a slideshow and made the following statements:

“Based on the City’s 2018 projections, we expect the City to have a profit of roughly \$114,000. As has been the case in the last few years, this is actually a very positive item as the City’s 2018 Budget had planned to use Fund balance of over \$2.5 million, so the 2018 projections show the City to be around \$2,600,000 better than originally planned. Keeping in line with last few years, this is a combination of City revenues and expenditures performing better than budget. Here is a list of these items and I will highlight a few. Sales Tax will come in at \$2.4 million or \$175,000 better than budget. Interest Income, which has once again become a significant source of revenue is also forecasted to be \$175,000 more than we had budgeted thanks to interest rates back to 2% after years of being at almost zero. To put in perspective interest income was over \$900,000 in and then bottomed out at \$45,000. Based on today’s numbers, that’s about a 4% tax rate increase alone.

Building Department Revenues are expected to finish \$1,097,000 better than budget. This is mostly contributed the 120 Old Post Road Building permit of \$950,000. The most

volatile and difficult revenue to budget each year has been mortgage tax. This year mortgage tax will be \$23,000 more than estimated. As show in Section 14 of the budget document, 2015 & 2016 home sales were almost the same. Yet Mortgage tax in 2016 was almost \$200,000 less than 2015, as home purchases were funded with Cash instead of with Mortgages.

Salaries are expected to be down City-wide, about \$1.2 million. Similar to last year, this is mostly due to vacancies in certain positions throughout the course of the year.

At one point or another, there were 14 vacant positions in the City. Also, while these positions were eventually filled, in some cases they were done so with employees making less than their predecessors.

FICA and Employee health care costs are down which is a direct result of the situation above as well many of these new employees opting for single health insurance coverage as opposed to family plans.

Retiree Health insurance increased as a result of not only increase rates (16-20%) but there were 11 retirements over the last 12 months well. Workers Compensation is down due to rates remaining flat as well as several large claims being removed from the City's experience.

Transfers to Capital Projects are up \$900,000, as the City Council appropriated excess fund balance for additional capital projects. The 2019 City budget proposes expenditure increases of 1,998,172 over the originally budgeted 2018 expenditures. The largest component of this increase is not salaries and benefits, it is transfers to Capital Projects of \$1,460,000, which we will come back to in a bit.

Other major changes in expenses affecting the budget are listed here. I will highlight a few and I'd be happy to answer questions on any of them. The City has budgeted for some type of increase for the settlement of currently expired contracts as there are three remaining union contracts currently expired.

Administrative salary increases, include a budgeted increase for the administrative pay group and a promotion of a DPW employee to the group.

The cost of health insurance overall, unfortunately for both current employees and retirees continues to increase; up \$506,077 combined for 2019. Employee health insurance is up due to estimated rate increases offset by single coverage for new hires. Retiree Health insurance increases are a result of increased rates along with the addition of 11 additional retirees budgeted for in 2019. This graph does a good job of showing where health insurance costs were prior to the recession and where they are today. You can see since 2007 the cost has more than doubled.

The decrease in the salaries listed below are a result of the reduction of a clerical, police and fire position, senior staff retirements, and new staff hired at initial salary steps, offset by any contracted step increases.

There is a decrease in fire hydrant rental of almost \$200k. The process of having this expense shifted from the City's water bill to the customers of United Water and Westchester Joint Water Works has begun. The 2019 Budget assumes this process will be completed by the second quarter of 2019.

The City's overall workers' compensation premium continues to decrease as additional large workers' comp claims continue to fall off from our experience and rates have remained relatively flat.

Overall contributions to the NYS employee retirement system are down roughly \$113,000, which is largely a result of new hires at lower salaries and a reduction in staff, as retirement rates have remained flat for 2019, after experiencing double digit rate increases from 2010 through 2012. Similar to health insurance you can see the huge spike in costs at the time of the recession.

Salaries and benefits are the largest portions making up overall expenditures at a combined 61%.

This slide shows expenditures by program, with Public safety being the highest function. Police and Fire services are obviously the biggest portion of public safety, but programs such as parking enforcement, crossing guards, EMS and Building inspection are also included here.

As for the revenue side, revenues other than property taxes are up \$546,134 over the 2018 budget. I have highlighted the major increases below.

Based on the last few years, we feel comfortable increasing Sales Tax by \$75,000 to 2.3 million, still a conservative number.

As mentioned before due to increased interest rates, interest income is budgeted double to \$350,000 in 2019. The Federal Reserve has increased interest rates three times in 2017 and three more through the first three quarters of 2018, with one more expected by the end of 2018.

All fee and permit increases are a result of City staff increasing various fees throughout their departments and making projections based on historical results and still being conservative in those estimates.

The following charts depict the City's current major revenues other than property taxes. Sales tax, Mortgage Tax and Building permit revenues have been the largest contributors to major revenues over the last few years, with interest income being added to the chart this year. One note regarding State revenue sharing. In a state mandated tax cap world with double digit health insurance and retirement rate increases the City has received and is budgeted to receive the same amount of state aid for the seventh consecutive year.

This next chart shows how Major revenues have been consistently at least 25% and in recent years over 30% of all City Revenues compared to total expenditures. For 2019 we used

the same formula has been used to balance the budget over the past few years: 1) The use of fund balance; 2) Increase the property tax levy.

On the use of fund balance, the budgeted use of General Fund fund balance is consistent with last year, with a few tweaks. In addition to the use of fund balance for Capital Projects, of 2,580,000 dollars there is a planned use of fund balance for miscellaneous equipment purchases in the amount of \$487,600. We have also appropriated fund balance to fund our contingency budget of \$350,000.

In 2018, the City used \$310,000 of fund balance to offset some of the costs associated with workers compensation; \$200,000 to lower the tax rate and \$132,000 of Building and Vehicle fund balance to offset operating costs associated with that fund. Due to all of the items listed above, the City is able to eliminate the use of such fund balance for 2019 and hopefully going forward.

These Capital projects are the annual funding of various infrastructure improvements throughout the City. For 2019, the City plans to appropriate \$2,000,000 of General Fund unassigned fund balance to transfer to the Capital Projects Fund for general capital projects. During the course of 2018, the City Council appropriated an additional \$900,000 of unassigned fund balance to this account. Finally, the City received \$950,000 from the 120 Old Post Road building permit, specifically for Capital Projects. As a result of the information above, there will be \$3,850,000 earmarked for General Capital Projects at the end of 2018. There was no capital funding at all in 2012.

As a result of much discussion and analysis, the City Council has prioritized a list of Capital projects that they wish to move forward with over the next few years. In addition, there is the need for potential capital improvements to the City's sewer collection system associated with the aforementioned SSES review. Finally there is obviously a long list of projects from the most recent Capital Improvements Plan (CIP), identifying additional necessary projects. The \$3,850,000 mentioned above represents another possible source of funding for these Capital Projects.

On the increase in the Property tax levy, for the 2019 Budget and pretty much all recent budgets, the property tax levy is two-thirds of our total revenues. The 2019 property tax levy is \$24,864,094 dollars, or a levy increase of \$553,051 dollars over the 2018 Budgeted tax levy. This translates to a 2.28% tax rate increase. This is an annual increase of roughly \$90 to the average home in Rye. This is based on a home with a market value of \$1,600,000. The 2019 total levy amount is \$173,686 dollars under the tax levy cap.

The Tax Levy increased by more than 5%, only six times in the last 18 years. Three of those years were consecutive, as the City had to dig its way out after not increasing the tax rate for many years. In 2017 the City added annual street resurfacing to the tax rate, after previously using fund balance, which added close to 3 percent alone to the tax rate. The tax rate increase had not been above 3.5% since 2010.

However there are some concerns going forward. Looking forward to 2019, it is important to remember that we cannot expect our elastic revenues to increase significantly enough for us to conservatively budget increases going forward.”

Mr. Fazzino stated that the presentation would be on the City website. He also said that the Finance Committee had brought back the Citizen’s Budget Report, which will be available by November 9, 2018.

During his presentation, Mr. Fazzino answered Council questions regarding Con Ed overtime, the raise of revenues/ fees, and assessed value, levy, and the cost of taxes to the average homeowner.

7. Residents Consideration to set a Public Hearing on the 2019 Budget for December 5, 2018.

Councilman Stacks made a motion, seconded by Councilwoman Hurd and unanimously carried, to set a public hearing on the 2019 Budget for December 5, 2018.

8. Residents may be heard on matters for Council consideration that do not appear on the agenda.

Philip Cicchiello, 203 Purchase Street, asked about the closures on Evergreen and Grandview Streets. He was concerned that the streets were closed and asked for a rationale on the decision to do this.

Mayor Cohn explained that this closure was a test to be completed around Thanksgiving. The test was to see if the residents could live with their own recommendation, particularly due to the proposed solutions with United Hospital in mind. This issue was before the Traffic and Pedestrian Safety Committee. It became clear that there had been long-term concerns with intersections at High Street, and the speed of cut-through traffic. Should this solution ever be permanent, it would first need to go through a public hearing. That neighborhood has been living through the uncertainty of the proposed development at the United Hospital site.

9. Public Hearing to consider a local law to establish a Community Choice Aggregation Program in the City of Rye.

Councilwoman Souza made a motion, seconded by Councilwoman Goddard and unanimously carried, to open the public hearing to consider a local law to establish a Community Choice Aggregation Program in the City of Rye.

Mayor Cohn introduced Jasmine Graham from Sustainable Westchester, who explained that Community Choice Aggregation (CCA) is a bulk purchasing energy purchasing consortium. Today the public hearing is only for an enabling law. It is non-binding, but enables the City to join. She announced that there had been a new bid/ contract for the energy. The new rates for the electricity supply will be from hydro power in New York State. The standard residential rate

would be 7.709 cents per kilowatt hour, and 7.959 cents for the green rate. In comparison, the average residential Con Ed rate was 8.26 cents per kilowatt hour.

Councilman Stacks said that 7 or 8 years ago, there were these independent service providers, but when an issue arose, there were problems between the independent service provider and Con Ed. Ms. Graham responded that Sustainable Westchester, different than a traditional ESCO, would be the advocate on behalf of 100,000 customers. Con Ed would still be the supplier of the energy.

Councilwoman Goddard explained that the PSC helped develop Sustainable Westchester, and this nonprofit is a different entity than a traditional ESCO.

Ms. Graham added that currently commercial rates are 9.93 and 9.97 cents per kilowatt. She was happy to announce that they would be the same price as the residential rates going forward.

The Council thanked Ms. Graham for her repeated presentations.

Councilman Stacks confirmed that a resident can opt out of the program. Councilwoman Goddard added that the vote was for the enabling law.

Mayor Cohn asked if the City would need an election on the issue tonight.

Dan Chorost, attorney for Westchester Power, said that the Council did not have to make an election tonight. He said that he would recommend that the City approves the enabling law this evening, and then subsequently adopt the resolution.

Councilwoman Souza made a motion, seconded by Councilwoman Hurd and unanimously carried to close the public hearing.

Councilwoman Goddard made a motion, seconded by Councilwoman Tagger-Epstein to adopt the following local law:

**LOCAL LAW NO. 6 2018**

**A LOCAL LAW TO ESTABLISH A COMMUNITY CHOICE AGGREGATION  
(ENERGY) PROGRAM IN THE CITY OF RYE.**

Be it enacted by the City of Rye of County of Westchester as follows:

**Section 1.** The Code of the City of Rye is hereby amended by adding a new Chapter 74 titled “Community Choice Aggregation (Energy) Program, to read as follows:  
**§74-1. Legislative Findings; Intent and Purpose; Authority.**

- A. It is the policy of both the City of Rye and the State of New York to reduce costs and provide cost certainty for the purpose of economic development, to promote deeper penetration of energy efficiency and renewable energy resources such as wind and solar, and wider deployment of distributed energy resources as well as to examine the retail energy markets and increase participation of and benefits for residential and Small Commercial customers in those markets. Among the policies and models that may offer benefits in New York is community choice aggregation (“CCA”), which allows local governments to determine the default supplier of electricity and natural gas on behalf of its residential and Small Commercial customers.
- B. The purpose of this CCA Program is to allow participating local governments including City of Rye to procure energy supply service for their residential and Small Commercial customers, who will have the opportunity to opt out of the procurement, while maintaining transmission and distribution service from the existing Distribution Utility. This Chapter establishes a program that will allow the City of Rye to put out for bid the total amount of natural gas and/or electricity being purchased by local residential and Small Commercial customers. Bundled Customers will have the opportunity to have more control to lower their overall energy costs, to spur clean energy innovation and investment, to improve customer choice and value, and to protect the environment; thereby, fulfilling the purposes of this Chapter and fulfilling an important public purpose.
- C. The City of Rye is authorized to implement this Community Choice Aggregation (Energy) Program pursuant to Section 10(1)(ii)(a)(12) of the New York Municipal Home Rule Law; and State of New York Public Service Commission Case No. 14-M-0564, Petition of Sustainable Westchester for Expedited Approval for the Implementation of a Pilot Community Choice Aggregation Program within the County of Westchester, Order Granting Petition in Part (issued February 26, 2015) as may be amended, including subsequent orders of the Public Service Commission issued in connection with or related to Case NO. 14-M-0564 (collectively, the “Order”). Order shall also mean orders of the Public Service Commission related to State of New York Public Service Commission Case No. 14-M-0224, Proceeding on Motion of the Commission to Enable Community Choice Aggregation Programs (issued December 15, 2014) to the extent that orders related to Case No. 14-M-0224 enable actions by the City of Rye not otherwise permitted pursuant to orders related to Case 14-M-0564: provided, however, that in the event of any conflict between orders from Case NO. 14-M-0564 and orders from Case No. 14-M-0224, orders from Case No. 14-M-0564 shall govern the CCA Program.
- D. This Chapter shall be known and may be cited as the “COMMUNITY CHOICE AGGREGATION (ENERGY) PROGRAM Law of the City of Rye”.

**§ 74-2. Definitions.**

For purposes of this Chapter, and unless otherwise expressly stated or unless the context otherwise requires, the terms in this Chapter shall have the meanings employed in the State of New York Public Service Commission’s Uniform Business Practices or, if not so defined there, as indicated below:

**BUNDLED CUSTOMERS** – Residential and Small Commercial customers of electricity or natural gas (“fuels”) who are purchasing the fuels from the Distribution Utility.

**SMALL COMMERCIAL** – Non-residential customers as permitted by the Order.

**COMMUNITY CHOICE AGGREGATION PROGRAM or CCA PROGRAM** – A municipal energy procurement program, which replaces the incumbent utility as the default Supplier for all Bundled Customers within the City of Rye.

**DISTRIBUTION UTILITY** – Owner or controller of the means of distribution of the natural gas or electricity that is regulated by the Public Service Commission.

**PUBLIC SERVICE COMMISSION** – New York State Public Service Commission.

**SUPPLIERS** – Energy service companies (ESCOs) that procure electric power and natural gas for Bundled Customers in connection with this Chapter or, alternatively, generators of electricity and natural gas or other entities who procure and resell electricity or natural gas.

**SUSTAINABLE WESTCHESTER, INC.** – A not-for-profit organization comprised of member municipalities in Westchester County, New York.

**§ 74-3. Establishment of a COMMUNITY CHOICE AGGREGATION (ENERGY) Program.**

- A. A Community Choice Aggregation (Energy) Program is hereby established by the City of Rye, whereby the City of Rye shall work together with Sustainable Westchester to implement the CCA Program to the full extent permitted by the Order, as set forth more fully herein. The City of Rye role under the CCA Program involves the aggregating of the electric and/or gas supply of its residents and the entering into a contract with one or more Suppliers for supply and services. Under the CCA Program, the operation and ownership of the utility service shall remain with the Distribution Utility.
- B. The City of Rye participation in a CCA Program constitutes neither the purchase of a public utility system, nor the furnishing of utility service. The City of Rye will not take over any part of the electric or gas transmission or distribution system and will not furnish any type of utility service, but will instead negotiate with Suppliers on behalf of participating residential and Small Commercial customers.
- C. In order to implement the CCA Program, the City of Rye will adopt one or more resolutions that outline the process of and conditions for participation in the CCA Program, including but not limited to signing a contract for a compliant bid with one or more Suppliers, all as consistent with the Local Law and the Order.
- D. The Public Service Commission supervises retail markets and participants in these markets through legislative and regulatory authority and the Uniform Business Practices, which includes rules relating to the eligibility of participating ESCOs, the operation by which ESCOs provide energy services and the terms on which customers may be enrolled with ESCOs.

**§ 74-4. Procedures for Eligibility; Customer Data Sharing.**

- A. As permitted by the Order, the City of Rye may request from the Distribution Utilities aggregated customer information by fuel type and service classification on a rolling basis.
- B. Sustainable Westchester, on behalf of the City of Rye, shall issue one or more requests for proposals to Suppliers to provide energy to participants and may then award a contract in accordance with the CCA Program.
- C. Sustainable Westchester or the City of Rye, if the City of Rye so chooses, will then request individual customer data from the Distribution Utility in accordance with the CCA Program.
- D. Sustainable Westchester or the City of Rye, if the City of Rye so chooses, and the selected Supplier will then notify Bundled Customers of the contract terms and their opportunity to opt out of the CCA Program.
- E. In accordance with and for purposes of the Order, Con Ed will provide to Sustainable Westchester aggregate and customer-specific data (including usage data, capacity tag obligations, account numbers, and service addresses) of all Bundled Customers in the City of Rye not currently enrolled with an individually chosen ESCO.
- F. Sustainable Westchester and the City of Rye will protect customer information as required by law, subject to the Order and the limitations of the New York State Freedom of Information Law.

**§ 74-5. Choice of Energy Supplier; Opt-Out Notice and Procedure.**

- A. The City of Rye or, in conjunction with the ESCO, will notify its residential and Small Commercial customers, by letter notice, of the City of Rye to establish the CCA Program, of the contract terms with an ESCO, and of the opportunity to Opt-Out of the CCA Program.
- B. The letter notice will be sent to each customer at the address provided by the Distribution Utility and explain the CCA program and the material provisions of the ESCO contract, identify the methods by which the customer can opt out of the CCA Program, and provide information on how the customer can access additional information about the CCA Program.
- C. The opt-out period shall be at least twenty (20) Days.
- D. CCA Program Bundled Customers, upon enrollment, will receive a welcome letter that will explain the customers' options for canceling the enrollment if they believe they were enrolled incorrectly or otherwise decide to withdraw from the CCA Program in favor of another Supplier. The welcome letter also will explain that residential customers are entitled to the added protection of the mandated three (3) day rescission period as detailed in Section 5(B)(3) of the Uniform Business Practices.

**§ 74-6. Verification and Reporting.**

- A. Sustainable Westchester shall be responsible for filing an annual report with the Public Service Commission, which identifies the number of customers enrolled in the CCA Program by municipality and customer class, the number of customers who returned to utility service or service with another Supplier during the reporting period, and the average cost of commodity supply by month for the reporting period.

**Section 2: Severability.**

If any clause, sentence, paragraph, section or part of any section of this title shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part thereof directly involved in the controversy and in which such judgment shall have been rendered.

**Section 3.** This local law shall take effect upon filing with the Secretary of State.

**ROLL CALL**

AYES: Councilmembers Goddard, Hurd, Souza, Stacks, Tagger-Epstein, Mayor Cohn  
NAYS: None  
ABSENT: Councilmember Mecca

10. Public Hearing to consider a local law to exercise our option under Real Property Tax Law Section 581 (1)(c).

Mayor Cohn explained that this proposed law would disallow the tax relief associated with the conversion of homes into condominiums, in which they would pay significantly less in property tax. He specified that this law would still permit the actual conversion to condominiums.

Councilwoman Hurd made a motion, seconded by Councilwoman Tagger-Epstein, to open the public hearing.

There were no comments made during the public hearing.

Councilwoman Hurd made a motion, seconded by Councilwoman Tagger-Epstein, to close the public hearing.

Councilwoman Hurd made a motion, seconded by Councilwoman Tagger-Epstein, to adopt the following local law:

**CITY OF RYE**  
**LOCAL LAW NO. 7 2018**

A local law to add a new Article XIII “Real Property Assessment of Converted Condominiums” under Chapter 177 “Taxation” of the Code of the City of Rye, as follows:

Be it enacted by the City Council of the City of Rye as follows:

Section 1: Chapter 177. Taxation.

Article XIII. Real Property Assessment of Converted Condominiums.

§ 177-83. Legislative findings.

**A.** The City Council hereby finds that residential condominium units incur a significant difference in property taxes compared to comparably priced single family homes under conventional forms of property ownership.

**B.** By reason of the foregoing, the City Council believes it is necessary to adopt a local law to prevent residential property owners from converting to a condominium form of ownership that would result in a lower assessment, which, if permitted, would unfairly lower the property tax burden for the converted property, while increasing the property tax burden to owners of property in a conventional form of ownership

**C.** The City Council does hereby ordain and enact Article XIII to accomplish the aforesaid purpose.

§ 177-84. Definitions.

As used in this article, the following term shall have the meaning indicated:

**CONVERTED CONDOMINIUM**

A dwelling unit held in condominium form of ownership that has previously been on an assessment roll as a dwelling unit in other than condominium form of ownership and has not been previously subject to the provisions of §581, Subdivision 1(a) of the Real Property Tax Law or § 399-y, Subdivision 1(b) of the Real Property Tax Law.

§ 177-85. Real Property Assessment of Converted Condominiums

In accordance with § 581, Subdivision 1(c) of the Real Property Tax Law and § 399-y, Subdivision 1(f) of the Real Property Tax Law, which otherwise permits condominium units to be valued for purposes of real property assessment by using a capitalization of income approach or a cost approach, neither §581, Subdivision 1(a) of the Real Property Tax Law nor § 399-y, Subdivision 1(b) of the Real Property Tax Law shall apply to any converted condominium units in the City of Rye.

Section 2: Severability.

If any clause, sentence, paragraph, section or part of any section of this title shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part thereof directly involved in the controversy and in which such judgment shall have been rendered.

Section 3: Effective date.

This local law will take effect immediately on filing in the office of the Secretary of State.

**ROLL CALL**

AYES: Councilmembers Goddard, Hurd, Souza, Stacks, Tagger-Epstein, Mayor Cohn  
NAYS: None  
ABSENT: Councilmember Mecca

11. Public Hearing to consider a local law to allow the City of Rye to “piggyback” on other federal, state, and local contracts.

Councilwoman Souza made a motion, seconded by Councilwoman Hurd, to open the public hearing.

There were no comments made at the public hearing.

Councilwoman Souza made a motion, seconded by Councilman Stacks, to close the public hearing.

Councilwoman Hurd made a motion, seconded by Councilwoman Tagger-Epstein, to adopt the following local law:

**CITY OF RYE  
LOCAL LAW NO. 8 2018**

**A local law to add a new Chapter 32 “Procurement Policy” of the Code of the City of Rye, as follows:**

Be it enacted by the City Council of the City of Rye as follows:

Section 1: Chapter 32. Procurement Policy.

Article I. Award of Contracts on Basis of Best Value

§ 32-1. Title.

This article shall be known as the “City of Rye Local Law Authorizing Best Value Competitive Bidding and Procurement.”

§ 32-2. Legislative intent; purpose.

The intent of this article is to allow the City of Rye the option to award certain purchase contracts (including contracts for services) subject to competitive bidding under § 103 of the General Municipal Law on the basis of low bid or “best value” as defined in § 163 of the New York State Finance Law.

§ 32-3. Legislative authority.

This article is enacted pursuant to New York State General Municipal Law § 103.

§ 32-4. Best Value Competitive Bidding.

- A. Authority and purpose. Section 103 of the New York General Municipal Law allows the City to authorize, by local law, the award of certain purchase contracts (included contracts for services) subject to competitive bidding under General Municipal Law § 103 on the basis of “best value” as defined in § 163 of the New York State Finance Law. The best-value option may be used, for example, if it is more cost-efficient over time to award the goods or service to other than the lowest responsible bidder or offerer if factors such as lower cost of maintenance, durability, high quality and longer product life can be documented.
- B. Award based on best value. The City Council may award purchase contract, including contracts for services, on the basis of “best value” as the term is defined in New York State Finance Law § 163. All contracts or purchase orders awarded based on value shall require City Council approval.
- C. Applicability. The provisions of this article apply to City purchase contracts, including contracts for services, involving an expenditure of more than \$20,000, but excluding purchase contracts necessary for the completion of a public works contract pursuant to Article 8 of the New York Labor Law and any other contract that may in the future be excluded under state law from the best-value option. If the dollar thresholds of the New York General Municipal Law §103 are increased or decreased in the future by the State Legislature, the dollar thresholds set forth herein shall be deemed simultaneously amended to match the new General Municipal Law thresholds.
- D. Standards for best value.
  - (1) Goods and services procured and awarded based on the basis of best value are those that the City Council determines optimize quality, cost and efficiency, among responsive and responsible bidder or offerers.

- (2) Where possible, the determination shall be based on an objective and quantifiable analysis of clearly described and documented criteria as they apply to the rating of bids or offers. The criteria may include, but shall not be limited to, any or all of the following:
  - (a) Cost of maintenance;
  - (b) Proximity to the contractors;
  - (c) Longer product life;
  - (d) Product performance criteria; and
  - (e) Quality of craftsmanship.
  
- E. Documentation. Whenever any contract is awarded on the basis of best value instead of lowest responsible bidder, the basis for determining best value shall be thoroughly and accurately documented.
  
- F. Piggybacking of purchases. Notwithstanding the provisions of this article, the City of Rye may, for purposes of public purchases, utilize the provisions of General Municipal Law § 103, the City of Rye may purchase through the bids solicited by the United States government, New York State, other U.S. states and /or any other political subdivision provided those contracts clearly state that they are available for use by other governmental entities within the requirements of General Municipal Law § 103(16). Prior to such purchase, the City of Rye will ensure that a piggyback purchase qualifies as follows:
  - (1) The contract involved must have been available for use by other governmental entities through the bid solicitation process. In such case, the City of Rye should determine that there is contained within the bidding municipality's bid package a provision that the bid is open to and can be used by either the City of Rye or other municipalities. This determination should be made on a case-by-case basis.
  
  - (2) The specific contract must have been issued in accordance with the provisions of General Municipal Law § 103.
  
- G. Procurement Policy superseded where inconsistent. Any inconsistent provision of the City's procurement policy, as adopted prior to the effective date of this article by resolution of the City Council, or as amended thereafter, shall be deemed superseded by the provisions of this article.

Section 2: Severability.

If any clause, sentence, paragraph, section or part of any section of this title shall be

adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part thereof directly involved in the controversy and in which such judgment shall have been rendered.

Section 3: Effective date.

This local law will take effect immediately on filing in the office of the Secretary of State.

ROLL CALL

AYES: Councilmembers Goddard, Hurd, Souza, Stacks, Tagger-Epstein, Mayor Cohn  
NAYS: None  
ABSENT: Councilmember Mecca

12. Consideration of a resolution to authorize a change order for Rye Golf Club in the amount of \$35,000 for its 2018 Golf Course Renovations and Improvements projects.

Councilman Stacks stated that the Golf Club has been doing a lot of work to keep the course up to modern standards. He said that the Council had approved approximately \$617,000 earlier this year for course capital improvements. During the course of the capital work, subsurface soil conditions were discovered, requiring \$35,000 of change orders. He reminded the Council that all funds come directly from Rye Golf Club in the enterprise fund.

Councilman Stacks made a motion, seconded by Councilwoman Souza, to adopt the following resolution:

**RESOLVED**, that a change order for Rye Golf Club in the amount of \$35,000 is authorized for its 2018 Golf Course Renovations and Improvements projects.

ROLL CALL

AYES: Councilmembers Goddard, Hurd, Souza, Stacks, Tagger-Epstein, Mayor Cohn  
NAYS: None  
ABSENT: Councilmember Mecca

13. Appointments to Boards and Commissions by the Mayor with Council Approval.

Mayor Cohn announced that Marion Anderson had resigned from the Human Rights Commission. He thanked her for her service. He appointed Corey Stark to fill Ms. Anderson's unexpired term, to end January 1, 2020. This appointment was unanimously approved by the Council.

14. Consideration of a request from the Rye Chamber of Commerce, for permission to use the Village Green on Sunday, November 25, 2018 for one of their sponsors for Mistletoe Magic.

Councilwoman Souza made a motion, seconded by Councilwoman Hurd, to approve the request from the Rye Chamber of Commerce, for permission to use the Village Green on Sunday, November 25, 2018 for one of their sponsors for Mistletoe Magic.

15. Consideration of a request from Rye Recreation to have food trucks on site at the Annual Turkey Run and Paws Walk on Saturday, November 24, 2018 from 8:00 a.m. to noon.

Councilwoman Souza made a motion, seconded by Councilwoman Hurd, to waive City Code Chapter 144 (8)(d) and (g) regarding food trucks, to permit them on site at the Annual Turkey Run and Paws Walk, to be held Saturday, November 24, 2018 from 8:00 a.m. to noon.

ROLL CALL

AYES: Councilmembers Goddard, Hurd, Souza, Stacks, Tagger-Epstein, Mayor Cohn  
NAYS: None  
ABSENT: Councilmember Mecca

16. Miscellaneous communications and reports.

There was nothing discussed under this agenda item.

17. Old Business

There was nothing discussed under this agenda item.

18. New Business

Councilwoman Tagger-Epstein announced that there would be a forthcoming survey distributed from RAISE in the upcoming newsletter. She asked everyone to take note of the survey and to complete the ten questions.

19. Adjournment.

There being no further business to discuss, Councilwoman Souza made a motion, seconded by Councilwoman Hurd and unanimously carried, to adjourn the meeting at 10:39 P.M.

Respectfully submitted,

Carolyn D'Andrea  
City Clerk