

Minutes of City of Dunkirk Finance Committee held on September 16th, 2013

Present: Councilman Mike Michalski, Chairperson
Councilwoman Stephanie Kiyak, Member
Councilman Andy Gonzalez
Rich Halas, FAO
Mark Woods, City Treasurer
AJ Dolce, Mayor
Ron Szot, City Attorney
Al Zurawski, City Building Inspector
Guests: Mike Pucci – Chadwick Bay Marina
Absent: Councilwoman Stacy Szukala, Member

Opening: Chairman Michalski opened the meeting at 4:15pm.

Meeting Content:

Michalski wanted to clarify a procurement resolution pertaining to Assistant Building Inspector Wendy Spinuzza's pay would not be greater than \$8,100 for the remainder of the year.

Michalski introduced Mike Pucci, partner of Chadwick Bay Marina, to explain the upcoming resolution authorizing the city to enter into a landlord consent agreement to help with the financing of a proposed development project. The lender in the project is Loeb Term Solutions LLC.

According to Pucci, his partner Jeff Gambino is trying to buy out Pucci's interest in the business and the development of a proposed restaurant on the site. Szot explained the lender wants permission to enter the property in the event there is default by the borrowers (Chadwick Bay Marina). The City currently leases the property to Chadwick Bay Marina.

Pucci explained there is already a collateral loan with Community Bank. Part of the new financing would be used to pay off the Community Bank loan. Loeb Term Solutions is looking to take a lien on all marina equipment, including the docks.

Pucci stated both he and Gambino were planning to attend the common council meeting to answer any further questions on the resolution.

Gonzalez felt the biggest value of the marina was the pilings to which the docks are attached to. The question was raised are the pilings considered real property and what happens to the Chadwick Bay Marina partnership when Pucci is bought out.

Fiscal Affairs Summary Report –

Plan is 67%. Revenues were down in Fund III – waste water.

Woods explained industrial sewer bills would be going out next week after a one month lag.

Halas reviewed a new KVS report detailing only over drawn lines within the budget.

Insurance Update –

Michalski spoke with Tom Melczko regarding properties the city no longer owns, but is paying insurance premiums on: (1) JJ's on the Pier (2) the building behind water filtration plant which will be torn down shortly and (3) city owned Hose 4 Grounds at Point Gratiot which are leased to Hose No. 4, however city pays insurance on property.

Treasure's Report -

Woods reported the Sales & Use tax is on track. Administrative fees of \$250,000 charged to Water (Fund 2) & Waste Water (Fund 3) will be paid back to the general fund (Fund 1) by November.

Kiyak stated the city received a letter from a local insurance company interested in bidding to be the city's insurance carrier. Michalski will get in touch with the insurance company, explaining we are currently under contract with Lawley Insurance Co. until July 2014 and RFQ's will be issued Spring of 2014.

The next Finance Committee meeting will be held September 30th.

Meeting adjourned at 5:25 pm.

