

## Minutes of City of Dunkirk Finance Committee held on September 8th, 2014

**Present:** Councilman Mike Michalski, Chairperson  
Councilman Andy Gonzalez, Member  
Councilman-at-Large Willie Rosas, Member  
Stacy Szukala, City Council  
William Rivera, City Council  
Rich Halas, FAO  
Mark Woods, City Treasurer  
Ron Szot, City Attorney  
Tony Gugino, DPW Director  
Guests: Gib Snyder- Observer, Sue Chiappone – Buffalo News

**Opening:** Chairman Michalski opened the meeting at 6:00pm.

### **Meeting Content:**

**Sterling Truck Purchase/Lease** – Gugino updated committee on the proposed purchase/lease of three Sterling multi-use vehicles. Currently 2 of the 3 city trucks are inoperable. They were purchased in 2002 and are well past the point of continued repair expenses. Gugino explained there is a deferred payment lease set up through 1<sup>st</sup> Niagara in which the first lease payment would be paid 12 months after the trucks are received (January 2016). These are lease-to-own programs with a four year repayment schedule. Each of the four years would be \$35,000 per year from fund I, coupled with a CHIPS payment of \$99,415 per year for all three vehicles.

Gugino has requested approval from NYS DOT for proposed payment plan. Szukala wanted to make sure clarification of lease versus purchase permission was granted by DOT before moving forward with resolution by council at next common council meeting. Gugino stated two of the older vehicles would be put out for surplus and one vehicle would be kept for parts. Halas reiterated importance of getting DOT permission in writing.

An alternate plan of purchasing at least one vehicle was discussed if leasing was not approved by DOT. Given the timing constraints of ordering a vehicle, it was recommended to Gugino that two resolutions be prepared for the next common council meeting. In this manner, council could act on one of the resolutions and ordering

of trucks would occur in a timely manner based on the DOT response.

**Proposed Budget Transfers:**

\$15,000 Water Main Maintenance – Roberts Rd. section of Millennium Parkway. Gugino explained this repair was outside of anything the city initiated. Szukala felt the contractor should have to pay for these repairs – not the city. Gugino stated a specialized contractor had to be brought in to save water supplied to local industry. Gugino has reached out to Chautauqua County to seek reimbursement for unanticipated expenses.

\$5,000 Maintenance of Streets

\$500 Parks Dept. supplies

\$25,000 Wastewater – Fund III contracted services

\$20,000 Wastewater repair & maintenance

\$1,050 Recreation supplies

\$2,050 Recreation programs

\$1,534.81 Recreation rent

\$2,204.99 Fiscal Affairs purchase of new equipment – new printer, Windows 7 upgrade, & computer

**Seawall Financing:**

Woods reported the city will be getting a rate under 1% on \$4.2 million for a one year BAN. After one year, the city will go to long-term financing in October 2015.

Financing repayment will be 75% from Fund I and 25% from Fund III as per the project engineers. Szukala expressed concern regarding the time frame involved with initiating an increase in the sewer rate. According to Woods, because the city cannot “back bill” sewer users, the rate increase would have to go into effect by Nov. 1<sup>st</sup>, for the first quarter billings in 2015. The tax cap over-ride could be accomplished at the same time the sewer rate increase is initiated.

Committee was in agreement the 15 year term would be the best option for the project and resolutions to increase the sewer rate and tax cap over-ride would be presented at the next Common Council meeting.

**Chadwick Bay Marina Lease Payment** – no payments have been received to date.

**Fund 15 (Water Plant Upgrades) Budget Status** – Halas reported he is close to finishing his report and needs to meet with project engineer Gus Maas to finalize his presentation on this project.

**Meeting adjourned 7:05pm.**