

City of Keene
New Hampshire

FINANCE, ORGANIZATION AND PERSONNEL COMMITTEE
MEETING MINUTES

Monday, May 16, 2016

5:30 PM

Council Chambers

Members Present:

Mitchell H. Greenwald, Chair
Carl B. Jacobs, Vice-Chair
Thomas F. Powers
Jay Kahn

Members Not Present

Terry Clark

Councilors Present

Robert Sutherland
George Hansel
Bettina Chadbourne
Gary Lamoureux
Janice Manwaring

Staff Present:

City Manager, Med Kopczynski
Finance Director, Steve Thornton
Asst. City Manager/ Human Resources
Director, Beth Fox
City Engineer, Don Lussier
Asst. Public Works Director, Donna
Hanscom
Public Works Director, Kurt Blomquist
PW Operations Manager, Aaron Costa
Asst. Public Works Director, Solid /waste
Manager, Duncan Watson
Acting Code Director, John Rogers
Asst. City Manager/Planning Director,
Rhett Lamb
Bill Byrne, Highway Superintendent

Chair Greenwald called the meeting to order at 5:30 PM.

Airport(Page 152):

Airport Manager Jack Wozmak was the first to address the Committee. Mr. Wozmak stated not much has changed with the Airport budget compared to last time, except for \$6,000 being added to the budget to change a part-time person to full-time status. There are also some smaller changes for fleet maintenance.

Chair Greenwald asked for an update on the airport as this was Mr. Wozmak's first time. Mr. Wozmak stated he has been looking at some fundamental issues which need to be addressed; manage the land around the airport, such as a Forest Management Plan. There is also a private hangar construction project for multiple jets. The development of a marketing brochure to better market the opportunities at the airport. Mr. Wozmak stated he has been in contact with Daniel Webster College and Nashua Airport to look at regional aviation opportunities. Working with the fixed based operator, Monadnock Aviation to organize different activities such as air shows, barbeque to market the airport. He stated the restaurant opened last week and encouraged people to try it out. It is seeing quite a lot of traffic so far. Mr. Wozmak further stated the traffic pattern in and out of the airport needs to be evaluated if the City is planning on conducting more activities at this

location. He stated he would be starting a conversation with City staff, DOT and the Town of Swanzev very soon on this item.

He also talked about the two plane crashes at the airport and noted he is working with the FAA on trying to resolve this issue.

Councilor Jacobs asked for the number of personnel at the airport. Mr. Wozmak stated there are four people in total including Mr. Wozmak, two of those are part-time and the proposal is to make one of those part-time positions full-time. He stated just mowing during this time of the year of several hundreds of acres takes a very long time. There is also a lot of maintenance on these buildings which have not been done in a long time. He added he would like to do as much of this work internally as possible.

Mr. Kopczynski added during the winter months and essentially traffic control sometime around the clock is being placed on one full-time body. He stated very soon this one full-time person gets fatigued, hence, making on of these positions back to full-time (as it was originally) sometime ago is to cover a safety problem.

Councilor Jacobs asked whether the Forest Management Plan will help with the obstruction clearing issue. Mr. Wozmak stated it might but he wasn't sure of that yet. He stated most of the forest land doesn't have anything to do with obstruction clearing but it might someday. He stated a good sustainable plan from a licensed forester will help avoid obstructions in the future. Even with a good forest management plan there could be trees that cause issues with obstruction but that will be addressed in a different manner.

Chair Greenwald asked whether this forested land is suitable for development. Mr. Wozmak stated some of it was – he noted the Airport Master Plan which is in the process of being developed would answer some of those questions.

Councilor Kahn referred to page 29 and asked how much revenue is collected in the general fund or elsewhere. Mr. Thornton referred to page 153, third line from the bottom is the total revenue for 2015 is actual and for 2016 and 2017 those numbers are budgeted. There is also shown on that page the revenue and expense ratio for FY15/16. Mr. Wozmak felt the revenue portion will improve this year due to the demand for hangar space

Councilor Sutherland stated if one was to look at the debt expense the City is carrying on the T-hangars it manufactured in 1998 and if last year's budget is looked at the expenses exceed the revenue by half a million dollars. He further noted it is a known fact the airline industry on the whole is on a decline when it comes to private aircraft. He felt City might not be able to bridge the gap between expenses and revenue in the short-term (5-10 years). He went on to say his understanding is the maintenance was under Parks and Recreation. Mr. Kopczynski stated there is a portion under Parks and Recreation for some of this maintenance work but not all. The Councilor stated if that was the case what is before the Committee is not an accurate picture of what is going on at the airport.

Councilor Sutherland referred to Line 62206, Fleet Charge is going up \$158,000 and asked how that cost was attributed to the department. Mr. Wozmak stated there is only a \$3,000 difference from last year to this year but added there was a new snow blower purchased for \$560,000 and it is Fleet that maintains this equipment.

Councilor Sutherland stated the City or Laconia has separated its airport from the City, with one full-time employee and they are in the black now and are outsourcing all their work.

Councilor Powers asked the Manager's explanation with the airport budget revenue. Mr. Kopczyński explained the revenue that comes into the airport has to be expended at the airport according to FAA regulations. Councilor Powers noted the majority of the airport expenses are paid by the federal government and the State so the City share is pretty minimum to maintain the airport. He added there was a time when the airport maintenance was outsourced. He felt this might be an item to revisit and agreed maintaining an airfield is no easy task.

Mr. Wozmak in response to Councilor Sutherland's comments stated even though recreational aircraft is trending flat or slightly negative. However, the trend in corporate air activity is dramatic as well as larger corporate air activity and this is the market they are trying to capture. Councilor Sutherland stated the forecast for quite a few years into the future is that distribution centers are going to change dramatically because our highways and railways are not expanding. So the growth in distribution centers will change for the better.

Health & Code (Page 158):

Acting Health and Code Director John Rogers stated even though his department's main duty has to do with code, licenses etc. they also interact with the public a great deal. Mr. Rogers stated it is also necessary for the department to keep on top of training to keep up with technology. The department this year has reached a milestone with International Code Council with 100% certification through that organization. Through retirement the department also had two vacancies of Housing Inspectors, both those positions have been filled.

Page 159 - Matrix and key objectives. Objectives are realignment of health code and planning department, moving from Oracle to another software.

Page 160 – Department has 8.33 full-time employees, two are part-time housing inspectors

Page 161 – Personnel services and operating expenses for health and code.

Page 162 – Breakdown of the different accounts

Page 163 – Health Department page – reflects savings with the Code Enforcement Superintendent moving on to the City Manager's position and Mr. Roger's position as Acting Director. The administrative line has increased with the Department absorbing 50% of a person when the department was originally paying only 30% for that individual. The reason is with Facilities going back to the Rec. Center that cost has been absorbed by the department. Even with this change there is a decrease in personnel cost.

Page 163 – Contracted services with HCS and Monadnock Family Services for home healthcare and mental health services for citizens of Keene.

Page 164 – Code Department cost savings because of the step increase for the department head and the increase to the administrative assistant as mentioned earlier.

Councilor Kahn asked about the mosquito control program which is an objective for the department. Mr. Rogers stated this falls on page 163 under professional services; it is a contract the City has with Swamp Inc. who treat the catch basins and also set some traps. The contract the City has is for weekly monitoring and certain number of treatments Mr. Kopczyński stated the City tries to confine the treatment as much as possible to areas which have tested positive. Catch basins are looked at for infestation and if there is they are treated at the larvae stage as opposed to the flying stage. There has been some outbreaks and the City has had to treat in areas like ball fields, what the City tries to avoid is aerial spraying.

Councilor Hansel referred to line 62143, 62146 and 62175 – a description for Other Services and the \$28,000 request. Mr. Rogers stated this is a fee for services for Home Healthcare, if you look at the 2015 numbers it shows how they move the numbers around to where the need is. 62143 and 62175 are both for HCS. In 2015/16 they asked for \$23,000 they have now adjusted it up to \$28,000 but they took the \$5,000 from 62143. This is mostly for Home Healthcare and 62175 is for mental health for children.

Planning (Page 165):

Planning Director Rhett Lamb began by referring to page 38 which outlines the committees supported by the Planning Department and on page 29 the revenue attributable to the department. Mr. Lamb stated the department consists of four full-time persons and one part-time planner. He indicated as mentioned earlier there is a plan to integrate the two departments; Health, Code and Planning for more efficiency but this is also tied to the landuse code update project.

Mr. Lamb then talked about the upcoming projects for the department. The landuse code pending Council approval, this will be moving towards to contract. The department is also receiving bids for the ARM Fund project which is the grant funded restoration of wetlands and floodplain in the Beaver Brook watershed in the Woodland Cemetery where an area of about an acre is going to be returned to its wetland status creating several feet of flood storage in the Beaver Brook Watershed.

The Airport Master Plan Steering Committee meets about once every six weeks with a goal of having the Plan before the Council by September.

Also, in the design phase is the Cheshire Rail Trail phase 2 project past Hurricane Road and a new section which will connect to Summit Road past the Amy Brown Road.

The College/City Group continues to meet and their final report is ready for completion and should be before the Council soon.

Marlboro Street rezoning is underway; the Joint Committee meets the second Tuesday of the month to work on this and it should be ready for a public hearing by sometime this summer. Councilor Richards submitted a letter to the Council as to how funds could be focused toward east Keene to improve the quality of life and provide economic stimulus to the area.

In terms of the regulatory work, the department staffs the Planning Board in its site plan review and subdivision processes throughout the year as well as the Historic District Commission. Even though the first part of FY16 was slow in the development world, this work has picked up substantially.

Councilor Chadbourne asked whether the department has adequate staff to do the work. Mr. Lamb stated at this moment it does but when the City moves to the next phase of the landuse code update, he might be coming forward with proposals or ideas. The other element is where the City ends up in the economic development strategy. Mr. Lamb stated he has not had the opportunity to discuss this with the City Manager yet – the economic strategy work is when personnel needs will increase.

Public Works-General Fund (Page 170):

Public Works Director Kurt Blomquist. Mr. Blomquist stated his department consists of 68 full time and six contract positions and the budget is over 19 million dollars and covers all city funds. There are five people who help administer the department and its administrative work to also include social media, walk-in clients, public relations etc.

City Engineer Don Lussier was the next speaker. Mr. Lussier stated his department consists of five individuals; two engineers, two engineering technicians (one civil engineering position is vacant) and himself. Mr. Lussier stated in addition to the work they do in Public Works they also provide assistance to other departments for technical support.

Mr. Lussier noted the estimate for FY15/16 is half of what the budget was this year due to vacancies. The City Engineer and Civil Engineer positions were vacant for about six months. As far as the proposed budget the personnel line is down by about \$26,000.

Operating expenses are relatively flat except for some changes to fleet and computer charges.

Highway Division – Highway Superintendent Bill Byrne and Asst. Public Works Director Duncan Watson were the next two staff people to address the Committee. Mr. Watson stated this division employs 22 full-time individuals. Mr. Byrne noted in addition to personnel another of their major expense is related to asphalt, road maintenance and winter operations. He talked about the product (Magic) they use for road maintenance which has cut their salt use by about 30% and this product is also environmentally friendly.

Chair Greenwald referred to page 181, Out of Class Pay and asked for explanation. Mr. Byrne stated this is during the winter months if the department needs someone to fill-in who have a commercial license, these funds are used for that.

Councilor Kahn stated he would like some clarity on the roads and sidewalks not included in the CIP (Hurricane Road area). Mr. Blomquist stated this summer there will be a water line replaced and repaving from Felt Road to Dickerson Road. He went on to say his department has been taking on some additional work with some strip areas on Park Avenue and end of School Street. Mr. Byrne stated the plan for Hurricane Road is to do some projects in-house such as the culverts and roadside drainage so that more funding would be available in the CIP for road work.

Mr. Byrne referred to line 62331 which the division is using to perform contract road repair work. Last year these funds were used to repair Chesterfield Road from Route 9 through Arch Street. This year again, with conjunction with engineering they will continue to do the mill fill of numerous roads throughout the City of streets which have been identified. Chair Greenwald asked whether the City purchased a milling machine. Mr. Byrne answered in the affirmative and added because this machine is only 18-inches wide pot holes and small delamination will be handled with this machine.

Councilor Hansel asked how many signs are being replaced or repaired each year. Mr. Byrne stated replacing of signs is an on-going issue. He further stated there is a new federal guideline which calls for all signs to be upgraded to be higher reflective and the wording has to be bigger for better visibility for people who wear glasses. There are about 4000 of those signs which need to be replaced and the department has replaced about 80% of these signs. The Councilor asked whether stealing of signs is becoming a pervasive problem. Mr. Byrne stated they do locate these signs during certain times of the year. Mr. Watson added people have always stolen signs and it is not something which has become a big issue. The Councilor asked whether the City was responsible for maintenance of all street lights. Mr. Byrne stated street lighting is the responsibility of Eversource. The downtown decorative lights are the responsibility of the City. He went on to say this line item used to be \$10,000, and because the downtown lights are requiring some upgrade funds have been reallocated from cost center 02018 to downtown cost center 02027. Mr. Blomquist added a certain amount of funds are paid as a monthly fee to Eversource and in those funds is a cost for electricity as well as for maintenance. The Councilor asked whether any of these fixtures have been converted to LED fixtures. Mr. Blomquist stated Eversource is working on a rate for LED lighting but the majority of the ones downtown are LED lighting.

Councilor Kahn asked whether Eversource offers any incentives for conversions. Mr. Blomquist stated they do on the facilities side but nothing for street lighting because they own the fixtures. The Councilor asked whether line 62503 for \$160,000 is just for electricity and maintenance is shown on line 62374 (cost center 02018). The \$5,000 goes to Eversource for maintenance. Councilor Powers asked whether the contract with Eversource only permits them to be notified once a year when a light fixture is out. Mr. Byrne stated when staff finds a fixture needs replacing a work order is created but there is

an annual survey which is also done. The Councilor felt at \$160,000 Eversource should be doing a better job keeping up with these fixtures.

Councilor Manwaring asked about crosswalk markings. She felt the ones downtown near the college need attention. Mr. Byrne stated the ones near the college were recently painted and the reason they look worn out is because of the amount of traffic these crosswalk see. He added they are looking at painting the major crosswalks twice a year.

Councilor Chadbourne asked about the lights in the Commercial lot as to which cost center these lights fall under and stated she was under the impression funding was going to be coming for these fixtures to be replaced with LED fixtures. Mr. Byrne stated they come under the parking fund. Mr. Blomquist stated he wasn't sure about the rebate but if the fixtures were converted it could be something they could discuss with Eversource. Chair Greenwald clarified at the present time, the Commercial Street lot has the bases, the conduits but Council has not yet voted to purchase and install those lights. Mr. Blomquist agreed.

Councilor Sutherland asked if fixtures are in a lot whether they then belong to the City. Mr. Blomquist stated if the fixtures are on a telephone pole, the City is leasing it belongs to Eversource, but if they are decorative style lights, they are owned by the City. He further stated the proposal right now is just for the Commercial Street lot. For Ralston Street, as per request from Councilor Jones who felt there was a lack of lighting on the street, the Engineer is evaluating those lights and if those don't meet the standards, then the City would lease and locate the "cobra" style fixtures.

Councilor Kahn asked how the concerns Councilor Manwaring alluded to could be addressed. Mr. Blomquist stated in the short-term they plan on addressing some of these re-stripping issues. In the long term, the City through the CIP could perhaps develop a project and felt this is a conversation which needs to happen. Mr. Koczynski stated he has had a conversation with the Keene State College President, who feels this is something which needs to be brought before City/College Commission.

Councilor Hansel referred to page 187, cost center 02019 Forestry and asked if this was for the purpose of maintaining the roadways etc. He added at the Conservation Commission level there has been conversation about the forested land the City owns and the possibility of developing a land management which would help in things like timber sales to bring in some revenue. Mr. Byrne stated this is just for maintenance. Mr. Koczynski added Jack Wozmak through the airport forestry management plan is looking to expand the forestry management plan beyond the airport.

Chair Greenwald referred to page 188, line 62206, Fleet Charge and asked for explanation of \$5,805. Mr. Byrne stated this is through the Memorial Tree Fund and previously there were funds allocated here for personnel and the funds for fleet have to be allocated here as well. He further stated there are 18 trees throughout the City which are going to be replaced. There are not new trees replaced this past year in the downtown, the two new Ash trees are going to be replaced. Councilor Powers on this same line stated

the cost allocated for this line last year was \$713 and noted he would like an explanation as well. Mr. Blomquist stated the fleet charges are allocated across 29 cost centers and it is likely this one was missed and stated he would get back to the committee on this.

Parking Fund-Maintenance (Page 193, 203-205)

Mr. Watson stated the cost the parking fund is responsible under the parking funds is for plowing services, and some maintenance related work such as pressure washing of decks. Mr. Byrne called the Committee's attention to page 203, cost center 01501, line 62503 (electricity) and stated as mentioned earlier this account was created when lights were installed at the Elm Street lot behind the Fire Station and the parking fund pays for this electricity.

Councilor Sutherland referred to page 197 and asked whether there are other areas where parking kiosks are going to be located. Mr. Blomquist stated parking operations fall under the Police Department and asked this question be referred to Police Chief Costa.

Public Works-Solid Waste Fund (Page 215):

Mr. Watson stated he was recently at a conference where one of the City's recyclers, Make Harkeness was named Recycler of the Year. Mr. Watson stated there are many changes happening in the world of recycling; the price of commodities has a direct relation to the price of commodities in China; China's growth is seeing a decrease which has affected the price of commodities as well as the price of oil is also affecting same. He indicated what we are seeing is more volume but not more weight. As a result it is becoming difficult to maintain the program as a special revenue fund. He noted the tax revenue does not support the solid waste fund it is supported by the fees generated.

Mr. Watson went on to say they are however, maintaining the cost centers. They continue to work with Waste Management and they are hauling over 38 ton of waste to Rochester each year. He indicated they are trying to reduce the amount Waste Management hauls away but there are a number of private contractors working in Keene who are required through flow control to bring the material to the City facility. He indicated the City which has three years remaining on its contract continues to look at places where it can send its waste.

Councilor Sutherland asked whether it would be prudent to start revisiting the fee structure at this facility to offset any increase in cost and other obstacles which are being forecasted for the future. Mr. Watson agreed and added he is confident for the next year they should be able to operate within the budget but after that time staff will be coming forward to look at fees and the relationship it has with its business partners.

The Councilor asked whether the methane was back on line . Mr. Watson stated it was on line but what the City has seen is during the colder months they are on line about 50% of the time and in the warmer months about 90% of the time. He indicated the City has had a great run with the landfill gas system and do rely on that system for their energy needs.

The cost center for landfill gas is 10009, the two line items for expense is 62311, and 62314 (equipment maintenance and system maintenance).

Councilor Sutherland noted the solid waste fund (page 303) is listing assets at 2.3 million dollars but there are loans attached to it and asked what the City has for cash attached to this fund. Mr. Thornton referred to page 217 where actuals and expenditures for each year is listed. Net income is being projected at \$295,000 based on estimates and on the bottom of the page lists current resources. The Councilor clarified there are things like the roundabout this cost center is still paying for. Mr. Thornton answered in the affirmative. Councilor Sutherland stated his concern is by 2013 there should have been three-phase power coming into the transfer station and it keeps getting pushed back where it is now pushed back to 2021. The Councilor went on to say if there is money in the fund, the transfer station is going to be running out of methane which is going to start costing the City more money; he felt it might be prudent to start addressing some of the issues that exist at this site.

Mr. Thornton stated this is a recurring theme with the Solid Waste fund and there are certain customers the City works with and those rates are adjusted accordingly.

Mayor Lane noted the surplus was accumulated before the landfill was capped. Since then the City has been slowly depleting it. Flow control was added a few years ago to control what was left in the surplus; this has stabilized the surplus but has not let it grow anything more substantially. Mr. Watson stated they have managed to keep this fund whole for a longtime and don't doubt they will come up with another way to keep it going but agreed there are concerns. The Mayor stated the City should not look at this as an extra million dollars it can dip into for capital expenses at the landfill. Mr. Watson agreed a million dollars would not go too far in the solid waste world.

Chair Greenwald asked whether all the major haulers were current with their payment. Mr. Watson stated they were and added action is taken when necessary.

Councilor Kahn asked what the end permit date for Rochester was. Mr. Watson stated he wasn't sure what their capacity was but does know there is room for them to expand.

Public Works-Sewer Fund (Page 229)

Asst. Public Works Director Donna Hanscom, Utilities Manager Tom Moran and Operations Manager Aaron Costa were the next speakers. Ms. Hanscom stated the sewer fund is supported by user fees. They treat about 3 million gallons of waste water in a day. Ms. Hanscom talked about the major accounts in the fund; Hauling and Disposal – there won't be much reduction seen this year but because of the capital project to replace the dewatering equipment to make the final product lighter, in FY19 there is an expected 15% - 20% reduction in hauling and disposal.

Chemicals – The department spends about \$300,000 per year in chemical. In FY17 the request is about 13% lower than last year and this is primarily because of the chemical

Mr. Costa had spoken about last fall which is a more concentrated chemical and provides the same benefit.

Electricity - \$300,000 per year – in FY17 there is 12% reduction in request and this is because of the energy efficient equipment used at the WWTP. The department has also formed a Utilities Energy Management Committee to look at the 22 accounts which fall under the sewer fund. The committee is making recommendations for each of those accounts and staff will be back with an update soon.

M. Hanscom went on to say the Martell Court Pump Station and the WWTP did receive grants in the amount of \$100,000 from Eversource because of energy efficient equipment they use.

Councilor Powers asked whether the work at the plant was complete. Ms. Hanscom stated the final pieces are being wrapped up for phase 1. There will be a pre-construction meeting for phase 2 happening soon and by next year at this time, both these phases should be complete.

Councilor Kahn referred to page 235, Addition to Surplus and asked for explanation. Mr. Thornton stated this is a way to balance the cash out with the revenue. The Councilor asked whether there was going to be a rate impact on water and sewer rates because of the proposed capital projects. Mr. Thornton answered in the affirmative and stated this revenue is built into the budget, but wasn't sure of the percentage increase. Councilor Powers noted in the Council Policy there is a requirement to look at all these fees on a periodic basis and that's where staff comes forward with a recommendation. Councilor Kahn asked whether this budget assumes an increase not approved by the Council. The Chair agreed.

Councilor Hansel referred to page 239, lines 66201 and 66203 – how depreciation is calculated. Mr. Thornton explained when money is spent on capital projects they are not recognized as an expense – what is done instead is that expense is recognized on a straight line over the life of the asset. This is what is shown here.

Councilor Jacobs complimented all the efforts from Ms. Hanscom and her staff for their cost cutting measures, especially with the new dewatering equipment.

Councilor Chadbourne with reference to Councilor Kahn's question, referred to CIP document, page 105 which has the billing projections and the percentages for water and sewer rates.

Public Works-Water Fund (Page 248):

Ms. Hanscom stated there is a 1.3% increase in the water fund operating budget. This is also a fund supported by user fees. Ms. Hanscom noted they have gone into a 60 community price consortium for chemical price and staff anticipates there will be a price decrease seen by next year. She noted one of the capital projects is a water shed

management plan, which is to manage the forestry component. Interviews of consultants are being pursued and staff should be back in June with a recommendation. Councilor Sutherland asked with reference to the reservoirs the City owns, how much of that is related to our demand for water and how much of that is related to desire to control water. Ms. Hanscom stated the City has water storage which would last them about six to seven months and stated this is a much easier way to process water compared to the wells. As far as flood control, stated these dams don't play into flood control. The Councilor asked how much water comes from wells as opposed to reservoirs. Ms. Hanscom stated they maximize what comes from wells. Mr. Costa added in the winter months they optimize the surface water plants and in the summer use more of the wells.

The Councilor referred to page 251 and asked if the Robinhood Dam improvements is what is reflected here. Ms. Hanscom stated Robinhood Dam was part of the general fund, Babbage Dam and Woodward Dam are part of the water supply and the dam reflected on this page is the Babbage Dam which is ready to go out to bid. Councilor Kahn asked whether the Finance Director has a rate increase for the water costs. Mr. Thornton stated his recollection is, it would be less than was indicated during the CIP review. Ms. Hanscom noted Keene's rates are significantly lower than the state average but the investment in the infrastructure has to continue.

Public Works-Equipment (Page 266):

Mr. Watson stated the Fleet Services Department is responsible for servicing all fleet used by the City (266 vehicles). Mr. Watson noted the Fleet Division has been active in the Granite State Clean City's Coalition because the City is a biofuel user and a leader in the area. One of the individuals in the department has taken the lead in this and has pushed for the use of this fuel and the advantages of same. Mr. Watson stated the City's Shop is unlike most Shops and has individuals who have a very expanded skill set and is unmatched by anyone in this area.

Mr. Watson talked about the versatility of the fleet; the police cruisers have just been transitioned into SUV interceptors, these are now all-wheel drive vehicles, which helps with tire wear and the Police Department is able to respond to areas much easily.

Operationally when the department went into this budget, higher fuel cost was anticipated but the cost of fuel is causing for a great deal of savings and well below the \$4 cost the City was experiencing.

Councilor Sutherland felt there might be an opportunity to outsource some of this work and noted to the \$109/hour cost the Shop is charging, City Clerk's van which costs \$13,000 per year etc. He felt the Council is obligated to its taxpayers to run an efficient service. The Public Works Director stated for instance the \$13,000 is based on replacement costs for all vehicles in the Fleet – the City Clerk's van for instance is paying for cruisers. Tim Mumford, Fleet Operations Manager added by saying all vehicles are lumped into one account; every department pays an equal amount across the board. He added it is on a rare occasion vehicles are outsourced. The Councilor stated all he wants to do is to see if there are way in which costs can be cut.

Chair Greenwald in conclusion stated the review of the budget has concluded at this stage of the process. The next step would be a public hearing before the Council and added so far there has not been much input heard from the public. At the next Finance Committee there will not be comment taken from the public but there will be comment taken from Councilors. At the budget adoption meeting before the Council, the amendments proposed by the Finance Committee will be presented, issues will be debated, and any amendments need to be submitted five days prior to the hearing. The Chair also called the public's attention to the Appendix and felt this is something everyone should be looking through.

The meeting adjourned at 8:04 PM.

Respectfully submitted by
Krishni Pahl, Minute Taker