

Top of the Hill Association 2011 Neighborhood Forum Meeting Notes 05/09/11

Forum Date: April 19, 2011

Location: Newport Public Library

Speakers

- Ed Lavallee –Newport City Manager
- Steve Waluk – Newport Mayor
- Justin McLaughlin – Newport City Councilman, 2nd Ward

Top of the Hill Community Committee Chair Harry Elkin presided over the Forum.

Discussion Notes

Ed Lavallee

The budget process mandates more and earlier community involvement than in prior years. Overview is scheduled for April 21 and will be followed by public hearings (May 11 and June 8 and 22) and workshops. The City Manager is responsible for preparation of a balanced budget, The City Council is the approving body. The city is mandated to approve a balanced budget, and this will be very difficult this year. This Top of the Hill Forum is the first public discussion of the proposed new budget.

There are three major categories in the budget:

Capital Improvement Plan – major purchases for the next five years, not including labor. These are appropriations that require significant investment.

Operations Budget – Police, Fire, Recreation, Public Works, Planning and Zoning

Enterprise Funds – municipal operations that are not supported with property tax revenue. They include the Pollution Control, Water, Parking, Beach and the Maritime funds.

Additionally, the city provides funding to the School Committee.

In answer to the question “how are we doing,” Ed said that Newport will meet expenses and end the current fiscal year with a balanced budget. However, he characterized Fiscal Year 2012 as a balancing act to provide the best possible service at the least possible cost. The state funding has decreased almost \$4 million in funds including motor vehicle revenue over the past few years which makes it hard to balance the budget going forward.

Operating budget has been reduced – all departments required to make 5% cuts. Structural change will be required, including proposed layoffs, as well as adjustments to personnel costs including health, pension and salaries. Twenty positions will be left

vacant, including management level positions. Newport has to do more with less. Most of the costs within the operating budget are personnel and personnel related. The city must take a close look at salary structures, reducing health care premiums (now at \$10 million) and pensions. There are no pay increases in the proposed budget.

The \$137 million budget is ripe for attack. The budget includes the \$30 million bond approved by the voters to build a new school. A new water plant must be built in Portsmouth and our existing water plant needs to be modernized to meet new EPA regulations. The new plant will use less chemicals and do a better job of filtering, avoiding future problems with ever more stringent regs. The \$70 million needed for upgrades to the water plants will be shared by customers in Newport and Middletown, and Portsmouth and the Navy, all of whom will provide input during the project development. The Combined Sewer Overflow (CSO) Project will eliminate overflows of untreated sewage into local waterways, primarily caused by rain events. A plan is due to the EPA for this system by 2012. There are also other ongoing maintenance issues involved with our sewer systems, like the \$15 million unanticipated repair for the Long Wharf interceptor in 2009. Right now, the city is repairing and replacing two major interceptor pipes by laying new linings inside old sewer pipes (Thames Street) or replacing old pipes (Wellington Avenue).

Steve Waluk

Our dual challenges include aging systems and mandates driving new specifications. To fund the 2012 budget, a 37% increase in water bills is projected, as well as a 3.7% tax increase. General fund increases for salary, health and pensions will be required.

Newport will need every opportunity for savings – it's all a matter of priorities. The city is in contract negotiations with the Fire Department – there has been no contract since 2005. It is the city's position that, compared to other similar municipalities, our Fire Department is overstaffed. We are trying to eliminate \$1.2 million in overtime costs in the Fire Dept.

Justin McLaughlin

What is being proposed for the Fire Department is legal, safe and necessary. This year's decisions will lay the foundation for expected services.

Water and sewer are enterprise funds, not in the general budget. Fees are charged to consumers to cover costs. The Public Utility Commission may not approve everything that has been proposed though, and final rates will not be approved until next February.

General Discussion

Ed: Other municipalities are likely to argue to keep the water fees down – we rarely get exactly what we ask for from the Public Utility Commission. If the rate increase is improved by the PUC, it would go into effect the first quarter of 2012.

Steve: Once it goes up, the water rate will probably not come down. The water will taste better. The length of amortization of the costs will be one of the factors negotiated. Cities are extending the paybacks further out, which has advantages but also kicks the costs down the road for others to pay.

Ed: Costs are projected over 20 years, so they will go up and stay up for a long time. The Department of Health has mandated more water quality testing to be sure it meets standards. It is probably cost-prohibitive to dredge Easton's Pond effectively, it is just too shallow and too expensive to make it deep like the Scituate Ponds, which are several hundred feet deep.

Ed: The City Council inherited many problems. Legacy costs of pension and health care (which is 10% of the city's operating budget). We would like to change the pension system from a defined benefit system to a defined contribution plan. Would also like to have city employees contribute more to their healthcare premiums. Newport is a tourist town and needs to be attractive – the good news is that we have garnered \$11 million in grants over the past two years to improve the city for visitors. Outside funding was secured to help purchase the new Seaweed Machine (algae harvester) and to install the UV process that will treat the water in the moat leading to Easton's Beach. So this year the beach will be cleaner, and even though standards for water quality have tightened up, Easton's will face fewer closures.

Another good result is the Armory decision – which adds to public access to the waterfront. We have received \$713,000 for construction of the Transient Boating Facility on the lower level of the Armory – the design/build contractor has been awarded the contract and the project is ready to start. Our congressional delegation helped secure this grant. And a second gazebo at Perrotti Park was added for Homeland Security to monitor cruise ship activity. State and federal representatives have been instrumental in helping Newport get funding. The City of Newport enjoys a AA bond rating. We also received \$713,000 to plan a new Transient Boating Facility.

Justin: We are in the process of negotiating a consent agreement with regulatory bodies (DOJ, EPA and RIDEM) on the Combined Sewer Overflow (CSO) problem – the consent agreement will include a remediation plan that will guide the corrective actions we need to take. Everything we are doing now is working toward a November 2012 decision point at which time we hope to be able to embark on a long-term correction plan that is manageable from a cost and timing standpoint.

Ed: The good news is that we have 95% compliance in the 1st phase to correct run-off into sewers. The city will remind non-compliers. Property owners who don't comply will be sent a court order.

Ed: There was a rash of car break-ins – in Top of the Hill and other areas -- and police are confident that the likely culprit has been arrested. The police worked hard to monitor our area especially at night. It is important to lock our cars. And to report problems to the police right away.

Justin: It is also important to let the police know of any issues so they can track when a problem is developing.

Ed: Newport is doing well with compaction work. An engineer is onsite for every major project to make certain that compaction standards are being met. However, the city has had major problem with National Grid over poor quality trench work, especially temporary patches. Their contractors are not always doing quality work, and the city keeps bringing them back.

General issues also included a lamppost on Marin that needs to be fixed; a new lamp post on Redwood that is not deflecting properly and keeping residents awake with bright lights shining into homes (light pollution); and double poles left by National Grid that make sidewalks unsafe to walk on. Ed says these will be fixed, homeowners should write in with specifics. The city now has a liaison with National Grid. Feel free to contact Ed if problems are on city property. For this coming year in the TOH area, we are planning to pave Touro Street, Pell Street and Sherman Street.

Upcoming work on Lower Broadway will include repaving and work to improve pedestrian safety. We are trying to get money from The DOT for this work. This work is not scheduled to be undertaken in the coming fiscal year.

Speed and Noise: Are an enforcement issues, residents should let the city and cops know. Best to contact our Community Police officers (Officer Jimmy Winters {jwinters@cityofnewport.com or 845-5863} who is responsible for the area west of Kay Street or Officer Jonathan Cortes {jcortes@cityofnewport.com or 845-5862} who is responsible for the area east of Kay Street) are a good resource for how to deal with issues. They are the community policemen for Top of the Hill.

Sidewalks: Property owners have to keep sidewalks clear. If sidewalks have weeds growing through the cracks, that's a city issue. But homeowners need to keep hedges cut back and clear the snow

Postscript from Ed Lavalley (May 7)

I received a notification from National Grid that they will alter the street light configuration on Redwood Street. They will reduce the wattage and replace the light covers with an alternate style that is designed to reflect the light downward. The work order will take about two weeks. Public Services Director Bill Riccio inspected the site made the request to National Grid shortly after our initial review of the current light installation. His office will monitor the replacement.