

Work Session of the Clarence Town Board was held on October 7, 2009 at Clarence Town Hall, One Town Place, Clarence, NY.

Supervisor Scott Bylewski called the meeting to order at 9:01 A.M. Members of the Town Board present were Council members Joseph Weiss, Bernard Kolber and Peter DiCostanzo. Councilman Casilio was absent. Other town officials present were Director of Community Development James Callahan, Town Attorney Steven Bengart, Deputy Town Attorney David Donohue, Town Engineer Joseph Latona, General Crew Chief James Burkard, Director of Administration and Finance Pam Smith.

### **Length of Service Award Program**

Joseph Floss introduced Dave Wyrwas, president of VFIS and Kathy Sibol, local marketing representative for LOAP. A public forum is scheduled for this evening with the local fire departments.

Dave Wyrwas gave a summary of the Length of Service Awards Programs sponsored by the Town of Clarence for Swormville, Harris Hill, Clarence Center and East Amherst Fire Department. He thanked the Town Board for their continued confidence in VFIS.

When reviewing a LOSAP program there are basically three components which should be reviewed. The first is the Investments. Generally there are two approaches to investing LOSAP funds, Active and Passive Investments. The sponsor can elect to contract with a money management type firm then work to arrive at an appropriate investment policy. Generally speaking Investment Advisors' seem to recommend an asset split of between 30% and 50% in equities and the balance in fixed type of investments. As he is not an investment advisor, Dave Wyrwas can't comment on the specifics of the strategy but we are all aware of the market adjustment we experienced over the last few years. In some cases LOSAP portfolios heavily involved in equities have seen their assets shrink significantly. While there are actuarial calculations intended to "smooth out" the volatility of asset fluctuation the end result still results in higher contributions required to make up for asset shrinkage. On the fixed side investments are generally made in Certificate of Deposits and Bonds. The challenge the investment manager and the Town have when opting to invest in fixed securities is managing plan liquidity needs and attempting to predict the economic cycle. As an oversimplified example, if you believe interest rates are going to increase you might invest in a shorter term CD, conversely if you think rates are going down a longer term maturity might make sense. The bottom line is there is a continual amount of decisions which have to be made. While an investment advisor can assume the responsibility for these decisions the ultimate responsibility rests with the Town.

Conversely, the VFIS program uses what Mr. Wyrwas referred to as "passive investment". The town contracts with the Hartford Insurance Company to purchase a Group Annuity Contract. The Hartford invests the town's deposits with deposits from other LOSAP programs. The result is a competitive expense structure. The group annuity contract provides a guarantee of principal, a minimum interest guarantee of 3%, higher interest credited if declared, and distributions at book value. (a history of credited interest rates was distributed). Mr. Wyrwas believes the overall safety of a group annuity contract makes it an ideal investment for LOSAP type programs who are interested in a reasonable rate of return with the guarantees associated with the contract.

The second component of a LOSAP is the pre-entitlement death benefit. Sometimes the need for a death benefit is questioned. Mr. Wyrwas reminded the Board that when these plans first started there weren't many assets. If any of the plans had one or two members pass away the promised death benefit could cause severe funding problems for the plan. As a result, their recommendation was that new plans should have an insured death benefit. The selection of Universal Life rather than group term was made because of the level premiums, cash values, and ability for the participants' to take ownership of the policy when they leave the fire department. It is a disappointment that more terminated volunteers do not take ownership of the policy. At some point, Mr. Wyrwas is hoping that plans can be amended to allow volunteers who serve a minimum

number of years to take the policy with the cash value intact. This will significantly enhance the value of the policy to the terminated individuals.

Mr. Wyrwas reminded the Board that Life Insurance is not a mandatory part of the LOSAP policy but it is an extremely valuable benefit to the members.

The third and final component of a LOSAP is the administration. The town is fortunate to have a local representative as skilled as Joe Floss. We know he does everything he can to ensure that both the Town and the Fire Department's administrative load is as easy as possible. Joe is well versed on the program and prides himself on taking care of his clients. The alternative to using VFIS and Joe Floss would be to contract with both an actuary and an investment advisor. There is some value in having an independent actuary. In fact VFIS uses an independent actuary to annually review and certify the Town's plan. This cost is part of the annual service fee they charge. If a Sponsor elects to use an alternate actuary, obviously the annual service cost will be significantly higher and generally speaking the actuary will charge an hourly rate and additional fees for meetings, phone conversations, quotes etc.

Generally speaking the partnership of an independent actuary and investment advisor are not in favor of purchasing single premium annuities. Some say because it lowers the amount of assets managed and eliminates fees associated with issuing checks and 1099 forms. While annuities are not a mandatory part of the VFIS program Mr. Wyrwas does recommend they be purchased. The value of providing terminated members' an annuity is a single sum is withdrawn from the fund and the Insurance Company assumes responsibility of checks, tax reporting, changes to beneficiary, addresses, etc. The premium charged by definition is based on a long term guaranteed rate of interest. As briefly mentioned earlier the alternative is to continue to invest the funds hoping to secure a higher rate of return for the next thirty to forty years than the annuity interest rate, hope that the administrative fees associated with check issuance and tax reporting don't increase dramatically over the life of the participant and the firm you contract with is in business for the long term. In summary a Single Premium Annuity relieves these concerns by transferring the liability to the Insurance Carrier for a known premium.

Mr. Wyrwas thanked the Town Board for their confidence in Joe Floss and VFIS.

Joe Floss stated that at the December 2008 meeting, there was a request made by one of the firemen when you hit entitlement age you are not paid until your following birthday retroactive to the anniversary date March 1<sup>st</sup>. That has been amended to go all the way back to the birth date so the first check includes a much larger amount.

### **Supervisor Scott Bylewski**

Supervisor Bylewski received an IDA application, the Town Board received a copy and a copy will be submitted to the IDA for consideration.

The crossing guard issue at Transit Middle School has come up again because of the Samina Raja study about walk ability. Supervisor Bylewski received a telephone call regarding this from a concerned citizen again asking for the town to pay for a crossing guard. Supervisor Bylewski indicated the prior vote on this, if anyone wants to change their mind, the issue can be revisited.

A budget meeting is scheduled for October 8<sup>th</sup> at 2:30 PM.

The Town Justices will be scheduled for the October 14<sup>th</sup> Work Session at 6:30 PM.

Supervisor Bylewski said that Erie County Department of Environment and Planning has asked us to announce at the meetings for the next few months that they designated November 1 through November 30 as the annual thirty-day time period within which a landowner may request predominantly viable agricultural land for inclusion to a certified agricultural district. Applications are available in the offices of Town Clerk, Assessor and Supervisor. You can also contact John Opalka, Erie County at 858-6229 for more information.

Supervisor Bylewski had a meeting with the Harris Hill Fire Chief at Harris Hill VFC along with the Fire Chief from Swormville VFC, Town Engineer Joseph Latona, representatives from Amherst Fire Control and Erie County Water Authority. As a result of that meeting, Harris Hill VFC does not need to submit a remediation plan, what they have done to date has boosted them into their prior ranking. Swormville VFC was in a similar situation as Harris Hill VFC, Supervisor Bylewski is waiting to hear back from them.

Town Engineer Latona stated that the solar panels will be installed and operating by the middle of November.

Motion by Supervisor Bylewski, seconded by Councilman Kolber to post a notice for the opening for the position of Park Crew Chief and post the Civil Service job description for same. Said notice is to be posted for a period of fourteen (14) days. Upon roll – Ayes: Councilman DiCostanzo, Councilman Kolber, Councilman Weiss, Supervisor Bylewski; Noes: None. Absent: Councilman Casilio. Motion carried.

Motion by Supervisor Bylewski, seconded by Councilman Weiss to appoint Mary Morris to the position of Real Property Appraisal Technician – Permanent, changing her status from Real Property Appraisal Technician – Provisional, as she has successfully passed the Civil Service exam and has scored number one for the Town of Clarence, effective as of October 10, 2009. Upon roll call – Ayes: Councilman DiCostanzo, Councilman Kolber, Councilman Weiss, Supervisor Bylewski; Noes: None. Absent: Councilman Casilio. Motion carried.

Motion by Supervisor Bylewski, seconded by Councilman Kolber to approve the Special Event Request for Clarence High School to hold their annual Homecoming Parade on October 10, 2009 to begin at Phil's Char Pit down Main Street to the high school starting at 12:30 PM. On the question, Supervisor Bylewski said all appropriate agencies will be contacted. Upon roll call – Ayes: Councilman DiCostanzo, Councilman Kolber, Councilman Weiss, Supervisor Bylewski; Noes: None. Absent: Councilman Casilio. Motion carried.

Supervisor Bylewski has several items to discuss in Executive Session.

#### **Councilman Joseph Weiss**

Motion by Councilman Weiss, seconded by Councilman Kolber to set a bid date of Tuesday, October 27, 2009 at 10:00 AM for the sale of the following surplus vehicles: T-8/2007 Ford Focus VIN #1FAFP34N37W117015 and T-12/2007 Ford Focus VIN #1FAFP34N37W117016. Vehicles will be available for inspection at the Highway Department at 6185 Goodrich Road. The Town Clerk will do all necessary advertising. Upon roll call – Ayes: Councilman DiCostanzo, Councilman Kolber, Councilman Weiss, Supervisor Bylewski; Noes: None. Absent: Councilman Casilio. Motion carried.

Motion by Councilman Weiss, seconded by Councilman Kolber authorize final payment of the negotiated settlement claim to Accadia Site contraction, Inc. for the Hillcrest Drive sanitary Sewer project in Clarence Sewer District No. 9 in the amount of \$58,500.00. Upon roll call - Ayes: Councilman DiCostanzo, Councilman Kolber, Councilman Weiss, Supervisor Bylewski; Noes: None. Absent: Councilman Casilio. Motion carried.

Motion by Councilman Weiss, seconded by Councilman Kolber that upon recommendation by Highway Superintendent Ted Donner, Joseph Braunscheidel be hired as part-time seasonal consultant to assist in the fall maintenance and winterization of our traffic signals at a rate of \$55 per hour to be paid from the Signs and Signal Account. He will work approximately 8 hours per week weather permitting. Upon roll call - Ayes: Councilman DiCostanzo, Councilman Kolber, Councilman Weiss, Supervisor Bylewski; Noes: None. Absent: Councilman Casilio. Motion carried.

Motion by Councilman Weiss, seconded by Councilman Kolber that upon recommendation by Highway Superintendent Ted Donner the following items be declared surplus so they may be sold at auction: H-22/1991 Ford L9000 Tandem axle dump truck VIN#1FDZU90LXMVA24370, three (3) used Stone Chipper Boxes – H-159

Grant Chipper Box, H-160 Grant Chipper Box, H-161 Grant Chipper Box. Upon roll call - Ayes: Councilman DiCostanzo, Councilman Kolber, Councilman Weiss, Supervisor Bylewski; Noes: None. Absent: Councilman Casilio. Motion carried.

**Councilman Peter DiCostanzo**

Motion by Councilman DiCostanzo, seconded by Councilman Kolber to award the Historical Museum Porch Renovation Project to Ledge Creek Development Inc., of Clarence Center, being the lowest responsive bidder in the amount of \$57,900. to be paid from the Capital Project Account. On the question, Supervisor Bylewski thanked Town Engineer Latona for attending the Historic Preservation Committee meeting. Upon roll call – Ayes: Councilman DiCostanzo, Councilman Kolber, Councilman Weiss, Supervisor Bylewski; Noes: None. Absent: Councilman Casilio. Motion carried.

At the last Town Board meeting the Volunteer Fire Departments asked the Board to look into exemptions from special districts. Town Assessor Christine Fusco indicated that the fire departments are already exempt from Town/County and School Taxes, so they are paying for just sewer districts, water, lighting ect. Christine printed out the information; there would be total savings of \$1,390.between all fire departments. Churches have to pay special districts, if we do for one, we will have to do for all the churches as well.

**Town Attorney Steven Bengart**

A Parks Department employee was mowing the grass at Harris Hill Park when a stone flew out and broke a windshield. An estimate was received from Jerry Knoof for repair. The town is obligated to pay.

Motion by Councilman Kolber, seconded by Councilman Weiss to authorize payment up to \$294.52 for the replacement of an auto windshield for Jerry Knoof. On the question, this is a result of a lawn mower at Harris Hill Town Park (Sunset Park) at Wehrle Drive that kicked up a stone and broke the gentlemen’s windshield. The incident was reported appropriately by all parties. Upon roll call – Ayes: Councilman DiCostanzo, Councilman Kolber, Councilman Weiss, Supervisor Bylewski; Noes: None. Absent: Councilman Casilio. Motion carried.

**Lean Six Sigma Report – James Burkard**

Supervisor Bylewski introduced Bob Sackett, in addition to his duties on the TEQR Committee; Bob is a member of the Business Advisory Group that has been helping out the Town, in particular Supervisor Bylewski and the Six Sigma Green Belt trainees as they come forward with their projects.

Jim Burkard has been working on this Six Sigma Project since early spring and he is ready to implement or make some changes to help the town. The objective of Six Sigma methodology is the implementation of a measurement-based strategy to get your results. They use the Six Sigma DMAIC process (define, measure, analyze, improve, control). Jim is at the “improve” stage and will provide information as to what was measured so far, how he analyzed it and what he found. Now it is up to the Town Board to make a decision on how he can improve or make some changes to our town facilities.

Being in the Parks Department, Jim Burkard project was Town of Clarence Facilities Use, Fees and Cost Management. The facilities he looked at were the Clubhouse, Legion Hall and Pavilions, their use, fees collected and basic cost to operate.

*The Strategic Goal* - to reduce the cost vs. fees variance so that we may improve the efficient use of Town facilities.

*Problem Statement* – cost to operate Town facilities for public and service group use exceeds the fees collected and the “no charge” uses of the facilities.

By reducing the variation of cost to operate to the fees collected the Town could save tax payers \$86,000 per year. In 2004 the Town implemented a new fee structure for the

use of town facilities. Since that time we have seen no reduction in the use of these facilities, although numerous groups use these facilities at no charge.

*The Cost of Poor Quality* – (COPQ) is on the basis of Waived Fees applied to facilities which costs the Town excess taxes due to over budget constraints, poor financial planning for year over year cost controls. There currently is no control to the limitations of free use of the Parks Facilities.

*Measure Phase* – Mapping of processes, value stream mapping, determined the perceived problem or potential. Value Added - what the customer is willing to pay for, Value Enabling - necessary evil (cost) to transaction an order i.e. regulations, protocol, Non-Value - is waste, and costs where the customer is not willing to pay for, Approval - another form of Non-Value Added/Enabling waste, Business Cycle Time Killer and adds costs due to labor. Wait - non-value added waste Business Cycle Time Killer.

The application process works, the Town Clerk's office takes the brunt of applications on the first business day of March each year.

In the *Measure Phase* Jim looked at all the records of fees collected in 2006, 2007 and 2008 for the Clubhouse, Legion Hall and Pavilions. There was minimal variation from year to year so 2008 was used for a more detailed analysis. The costs to operate were an average of hours needed to clean and an average of salaries with benefits for each facility. Jim's analysis is current to 2008 values totaling \$86,345 subsidized to Town of Clarence taxpayers.

Jim also looked at utilities in the Measure Phase even though it was not done in the initial study. The Clubhouse costs \$91 per day/\$33,321.per year for utilities. The Legion Hall costs \$12 per day, Meadowlakes Park \$6.82 per day, Glenwood Park \$2.02 per day, Town Place Park \$21 per day (lights on at tennis courts and baseball diamonds, basket ball courts) and Harris Hill Park \$22 per day (lights for tennis courts and football field). The Large Pavilion could not be broken out because it is also tied in with the Parks Department office, the outdoor lavatory and the lighting on the baseball diamond. The Large Pavilion also has heat which gets used mainly in the spring and late fall to take the chill out. The Small Pavilion and Lakeside Pavilion do not have near the expense as the other enclosed pavilions do.

*Analyze Phase* – Collected Data: bookings of all facilities and the fees paid for use. Cost to clean Legion Hall and Pavilions. Cost to clean and monitor Clubhouse. Fees waived and fees collected. The Clubhouse requires a parks employee on site which is an added expense.

In 2008 there were 312 bookings in the Legion Hall; fees were paid 101 times, 211 bookings there were no fees charged. Service organizations are not required to pay the user fee. By waiving these fees, 67% of the time there is no charge for use of the building but the building still has to be cleaned, lights are used, air conditioning/heat are turned on. We are in a losing mode with this town facility. In Six Sigma they teach you not to find the solution until you analyze your results.

The large pavilion is one of the finest facilities in WNY. Compared to other towns, no one has a facility that comes close. No other towns pavilions offer sinks, refrigerators, running water, electricity, or the type grills we offer and their fees are more than what we charge. Some towns charge extra for water and electricity. Our pavilions are not a major concern, in 2008 66% were paid bookings, 34% did not pay – our town recreation department uses the pavilions on a daily basis and we do not charge them. Sport's teams "end of season picnics" are allowed a one time use at no charge.

In 2008 there were 349 bookings in the Clubhouse, 85% of those bookings were unpaid uses, and 15% were paid uses. The 15% that paid were for groups of over 200 or groups that used dishes.

Our biggest use is weekends which mean over time for parks employees. In the summer time between baseball and pavilions, on average there are 13 employees

scheduled to work from 7am – 11pm holidays included. Our process works but our fee schedule needs improvement for us to be losing so much money. With the recommended changes, Jim feels we could recoup some of the money.

*Improve Phase* – meet with Team to make suggestions for change to increase revenue and cut costs. Some of the suggestions of cutting waste: stop waiving all fees, reduce Town Board vote from 5 to 3, rotate 2 members (the cost savings would be minimal) eliminate the formal approval process to rent the Clubhouse and Legion Hall, relocated non-paying “Special Cause” groups to other facilities with less cost to the Town. The Clubhouse is inundated with Boy Scout, Cub Scout and Girl Scout meetings on a daily basis at no charge yet the Clubhouse has to have a parks employee in the building. The thought was to move them to another location that would not cost the town money. The use of the schools is an option for some of these groups.

There are always road blocks which must be resolved internally before change can be implemented. The Town Board must realize the operational consequences (waste & cost) of the current process. Resistance from Town Board and the free user groups which has had precedence over a long period of time. Town employees, citizens and user groups feel that the free use is an entitlement and benefit to the service groups. Most of us belong to service organizations that use these facilities and you will hear some repercussion however, you have to look at this from a business standpoint not a “friend” standpoint. Town employees and service groups feel that this is an entitlement and want free use of the facilities; they want the town to set up/take down and store their products for all their events.

Our next step is to eliminate some of these roadblocks. Jim met with Supervisor Bylewski on August 26<sup>th</sup> and began the Improve Phase to get to this point - his Six Sigma presentation. He would like to implement the consensus of the outcomes to improve the Town’s performance by 12/31/2009. We have room to increase some of our fees; the last fee increase was 2004.

Possible 2010 added revenue:

Clubhouse – in 2008 there were 298 unpaid bookings. If these groups paid \$10 per use it would generate \$2980.

Legion Hall – in 2008 there were 211 unpaid bookings. If groups paid \$10 per use it would generate \$2110.

Pavilions – if we adopt the proposed fee schedule for 2010, it would generate \$4865. If we eliminate free usage, the town can gain \$9955 in additional revenue.

One point that was brought up by the advisory group was that if you implement a fee that may eliminate some groups automatically. They may find another place to meet.

One service organization has indicated that they budget money for meetings and since they have been using the Clubhouse, they have not had to use that money. They have indicated that they would be willing to donate money or pay a user fee for use of the building.

Once this gets implemented, then we go on to the *Control Phase* – financial impacts realized vs. goal. Our goal is to increase our revenue and decrease our loss.

Town Engineer Latona stated that the Clubhouse is a historic building and you lose a lot of heat through the windows, you can not replace the windows and keep the building historically accurate.

Supervisor Bylewski stated that the hand-out of the utility costs for these facilities is not the main focus of the analysis. This was developed after it was realized that the town is losing \$86,000 because of non-collection.

Councilman Weiss questioned whether we are maximizing our man power to take care of these facilities. Are there things from a man-power standpoint that we could

implement to decrease our costs. The weekend work schedule is printed on Thursday. There are between 4 – 6 guys scheduled on weekends just to stripe the baseball diamonds in the spring and summer.

Councilman Kolber asked what has to be done on a weekend and could it be deferred to a weekday i.e. emptying garbage cans. Jim stated that it is very rare that things get done on the weekend that can not be done during the week.

Supervisor Bylewski stated that the \$86,000 is person hours converted to dollars that are spent taking care of the facilities, then the utilities are tacked on to that. One of the recommendations that came up was increasing the pavilion fees. The recreation program and sports teams (end of season picnic) would be exempt from the fee.

Jim proposes charging groups \$10 per meeting for use of the Clubhouse and Legion Hall. If you attach a \$10 fee to some of these organizations, we may eliminate some groups; where else can you meet for \$10. Our service organizations for the most part give back to the community however, there are some groups that do not.

Town Attorney Bengart suggested charging more for peak usage such as on the weekends when you have to schedule extra manpower and pay overtime.

Many times the Girl Scout and Boy Scout groups schedule meetings with only 6 – 8 people in attendance – Jim suggested limiting use to a Tuesday and/or Thursday and putting 2 groups in the large room and one group in the Meeting Room and the other in the Small Room.

Jim stated that he would also like to raise the fees for dishes in the Clubhouse. When the fees were refigured in 2004 this some how was eliminated. It is a huge expense to the town to allow the groups use of the dishes. Jim is proposing a fee of \$100 to use dishes for groups up to 100, over 200 people the fee goes to \$200. There is one particular group that uses the dishes every month, it takes approximately 3 ½ hours to do the dishes when this group meets – they use 125 place settings.

Deputy Town Clerk Darcy Snyder suggested raising the deposit fee on the Legion Hall.

Councilman Kolber suggested in addition to the application, the applicant get a list of regulations for Legion Hall use and have them sign off on it. The building must be left in the same condition as you found it.

Supervisor Bylewski asked the Board and the Town Clerk's office to come up with any other recommendations so that when he and Jim Burkard meet with Town Clerk Nancy Metzger, they can go over some of these items, bring them back to the Town Board and act on it by the end of the year.

Councilman DiCostanzo stated that he would like to see employees working more efficiently and see if that doesn't lower the \$86,000. Jim Burkard stated that the \$86,000 is the cost of waived fees and labor for cleanup (1 hour for pavilions, 1 hour for Legion Hall and 3 hours for Clubhouse). Jim stated that there are ways to improve efficiency which is what he does all the time.

Bob Sackett stated that when you get to the Control Phase you may consider possible computer registration. If you had computer registration, you would have much more control. The Control Phase will demand a little more attention to the data base.

Jim further stated that the increase in pavilion fees is minimal as is the \$10 user fee for service groups, we have to start somewhere.

Councilman Kolber stated that we are a town government that is charged with providing services to our residents and nothing that we do is designed to be revenue making however, what is an acceptable level of service that makes sense vs. something that is above and beyond. Supervisor Bylewski stated that currently we are either subsidizing

the entire thing for some organizations or subsidizing the vast majority of them. We are trying to recoup just a little even if it is the cost of utilities.

Documentation was submitted yesterday in reference to the proposed Wegman's store. Shaun Hopkins submitted documentation to the Planning Office yesterday that he would like submitted to TEQR however, this was not referred by the Planning Board. (The Planning Board referred Master Plan change with the 300' buffer to TEQR). What was submitted by Mr. Hopkins was a full build-out of the Wegman's project as was originally presented, which is technically illegal. What is presently being reviewed by TEQR is different than what Mr. Hopkins recently submitted. What Mr. Hopkins submitted is not the EAF for what the Planning Board referred to TEQR so someone has to create an EAF that documents what the Planning Board had referred. That has not been done yet and Jim did not feel he should waste his time doing it. He could prepare an EAF based on what they just submitted. Town Attorney Bengart suggested he and Jim Callahan meet with TEQR Chairman Matt Balling along with the applicant and indicate to him that he has to make the EAF fit or we can not do it. James Callahan stated that his quick analysis of it is that it is a full build out of Wegman's; it is not a Master Plan amendment.

### **Lean Six Sigma Report – James Callahan**

Jim Callahan presented his Six Sigma Project – *Major Project Review Analysis*. The Planning and Zoning Department is involved with the review and approval of many different types of application permits. For the purpose of the Six Sigma Project Jim chose the major projects review process for both commercial and residential projects – it is the most complicated of the land use decision making processes. This process includes several local boards including the Town Board, Planning Board, TEQR Committee and the Planning and Zoning Department. Jim did not get into analyzing any other departments that may be involved in the process, Jim kept the focus to his department, they will be responsible for the project. In any given year, the Town will work on between 10 and 15 such major project reviews.

The Team as assembled consists of Brad Packard, Planner, Carolyn Delgado, Senior Clerk Typist, Gerry Drinkard, Planning Board Chairman and Al Schultz, Planning Board Vice - Chairman. These individuals represent the players that are most involved in a typical major project review and can best determine those parts of the review that have the most waste and can provide input to improve the current process by amending procedures and communicating improvements to other individuals involved in the process.

Jim used the Six Sigma DMAIC process (define, measure, analyze, improve, control) process. There are various components of that process.

*Define Phase* - a major project is very complicated. The Town commits a significant amount of resources in reviewing major projects and will attempt to quantify what those resources are. Typically Jim's office goes through 10 – 15 major project reviews over a period of a year or two. There could be a significant cost savings associated with stream-lining and review process. Cost savings can add up over the full review of major projects.

*Strategic Goal* – streamline the review process for major project land use decision within the Town of Clarence. The goal will be to eliminate unnecessary wasted actions that ultimately cost the taxpayers money.

Jim developed a Project Charter which summarizes the project and identifies the opportunity for cost savings and provides a concise format in which to describe the project.

For purposes of this project, Jim focused on the Concept Plan Approval because it is the most critical in the review stage. It provides the critical decision making to allow a project to move forward. As part of the Define Phase, Jim did a quick financial analysis of what is involved with a major project review process in the Town of Clarence including Town Board, Planning Board, TEQR Committee and the Planning and Zoning

Departments involvement and costs associated with bringing a major project review to Concept Plan approval. Each time they meet, there is a cost to the town.

The Process Flow Diagram depicts a standard review process. The total time for a “perfect project” requiring TEQR review is 151 to 192 days (5 to 6+ months). This does not include a Special Exception Use Permit or Public Hearing. Each Planning Board tabling adds 14 – 21 days; each TEQR tabling adds 30 days. It is easy to envision the process taking 8 months or possibly much longer. A standard review of a project depicting the minimum number of meetings required to reach Concept Plan approval was compared with nine projects reviewed over the past several years (Staybridge Suites, Doodlebugs, Shadow Woods, Casilio Office Complex, Milherst – County Road, Rubino Subdivision, Benderson – Transit Road, Walgreens-County Rd, Walgreens – Main Street).

Jim put together a contract sheet identifying all the individuals and steps involved in a project, to clarify the project and the anticipated deliverables – this was put into a concise format. Key deliverables would be cost savings by reducing the number of meetings. If one meeting of each body can be eliminated, the cost savings could be up to \$2,000 per typical review - over ten projects you would see a savings of \$20,000.

The critical step in the measure phase was the Value Stream Mapping of the contract. Red – identifies no value added to the system, Green is a value added or decision within the process, Yellow – is essential but not important to the ultimate customer. The Value Stream Mapping is a combination of the Flow Diagram in terms of the number of meetings, the groups involved in these meetings and the financial value. There is a variation in the number of meetings for each project. The Town Board will spend approximately \$1400 on a “perfect project,” the Planning & Zoning Department through the process of preparing for meetings, post meetings etc. \$1600, Planning Board \$2,000 and the TEQR Committee \$1,000+/- this is what it costs to get a perfect project through to Concept Approval.

Jim tabulated the aforementioned projects including the perfect project and identified the number of waste meetings that occurred where there was no decision made. Jim compared that to the perfect project, he identified 27 meetings out of the project reviews being in the waste category over and above the perfect project – that could total \$50,000. in waste.

Possible root causes of variation in the review process:

- Incomplete or insufficient submissions
- Time delays between meetings
- Unprepared applicants
- Public confusion on the process
- Lack of preparation of involved parties
- Coordinated review responses
- Gate keeper information preparedness
- Number of meetings in the process
- Repetition of various displays

*Failure Modes and Effect Analysis* - was used to identify the number of meetings in a typical review process. This was a factor that varied most widely and if this variation can be reduced to the fewest possible meetings in a review, cost savings can be achieved. Excessive meetings can lead to confusion in the process and there is no additional benefit Too few meetings will short change the public input requirement and other legal requirements in a standard review process.

*Capability Study* - was used to analyze the total cost of each of the study reviews to achieve Concept Plan approval. Standard deviation identified as a little over \$2,000 and the average review cost was in the \$9,000 range. (In a perfect project it cost a little over \$6,000 our average is \$9,000). If we can keep the review under \$9,000, that would result in significant savings. The defects ratio identifies that 50% of the time there is a waste.

All data has been documented and measured to identify waste and the concern that exists. The next phase is to analyze this data.

The project team undertook a brainstorming exercise to try and determine some of the causes for variation in the Concept Plan review process. Several factors contributed to variation including incomplete or insufficient information at the early stages of the review. Applicants very often are inexperienced and will require additional Planning and Zoning input which adds to the overall costs to review. The time delays in a typical review can create public confusion. Time delays can also lead to unpreparedness of involved bodies. Coordination of information from involved agencies is a time consuming effort but is required to insure all our information is current and the repetition of information among all the various bodies can lead to public confusion.

Many of the required review procedures are essential and/or are legally required and there is no room for modification in these factors. Local factors, leading numbers and types can be modified to better streamline the review process.

Factors that had the greatest impact on the overall process are the number of local meetings. There may be opportunities to reduce the number of overall meetings without significantly impacting the quality. Variation in the number of meetings creates waste. There may be opportunities to reduce waste while still maintaining quality.

Factors that create waste in the system have been identified and potential solutions to reduce such waste also have been identified. The Planning and Zoning Department is ready to develop a formal project triage process. The triage process in the beginning of a standard review will identify any potential roadblocks to streamline the review and work with the applicants in advance of the formal presentation. These tools will increase the amount of information available at the beginning phases of review and reduce redundancy and waste. By eliminating one meeting of each of the reviewing bodies, a savings of almost \$2,000 per review can be achieved. Another potential solution would be to consolidate the activities of TEQR and also at the gatekeeper meeting to introduce a resolution or define a project to allow that to move through the SEQRA process without coming back to the Town Board – this is something that will have to be analyzed. (The gatekeeper meeting would be the first formal meeting introducing a project).

The development of a formal triage process with user friendly forms and details to identify the roadblocks up front. This pre-meeting process can be implemented prior to any formal meeting and can be discussed with the Town Board prior to their initial gatekeeper meeting. This process is currently in place now but it can be taken one step further.

Upon submission of application of a major project, the team will review the application and provide insight prior to the initial gatekeeper meeting. It is envisioned that all significant impact issues will be formally identified through this process and recorded at that initial gatekeeper meeting. It will be up to the gatekeepers to insure that the project reviews maintain a streamline and open accountable process. Each specific project will have its own set of potential roadblocks – the triage process should aid in the timeliness of those reviews. The Planning and Zoning Department will monitor the timing and the number of meetings necessary to insure adequate review after a project is let in the gate. By eliminating one meeting of each involved body we can realize a cost savings of up to \$2,000+ per review. Potential roadblocks - political issues may reduce some potential cost savings in a typical review process. The Planning and Zoning Department can facilitate some streamlining through the formalization of intuitive knowledge at the initial stages of the review. However ultimately a political decision will drive the process - must be supportive of the overall process change from above to insure cost savings.

Brad Packard will be tasked with developing the pre-meeting matrix and try to get that into the hands of the gate-keepers, to the Town Board before a project comes forward. There may be opportunities to eliminate other meetings. One of the things Jim had talked about was possibly drafting a resolution at the initial gate keeper meeting that

would allow a project through the TEQR process without bringing it back to Town Board. That may be a wasted step that could be streamlined. Councilman Weiss suggested eliminating the number of members on the Planning Board and TEQR Committee if the work load is being reduced.

Jim clearly identified the concept review step as the most critical in a major project review process, he measured existing data and analyzed the existing process, identified that there is waste in the system however; he has identified opportunities for improving the system without sacrificing quality. He is prepared to implement, maintain and monitor solutions that will streamline the review process and ultimately save dollars.

Motion by Supervisor Bylewski, seconded by Councilman Kolber to enter into Executive Session pursuant to § 105 (1) F of the Open Meetings Law to discuss the employment history of particular individuals and the discipline of a particular person; § 105 (1) H acquisition of real property and proposed sale of real property when publicity would substantially affect the value thereof. On the question, Jim Callahan was asked to remain for discussion of the acquisition of real property and proposed sale of real property. Town Attorney Bengart has one Attorney-Client item to discuss. Upon roll call Ayes: Councilman DiCostanzo, Councilman Kolber, Councilman Weiss, Supervisor Bylewski; Noes: None. Absent: Councilman Casilio. Motion carried.

There being no further business, the Work Session adjourned at 11:43 A.M.

Darcy A. Snyder  
Deputy Town Clerk

Motion by Supervisor Bylewski, seconded by Councilman Kolber to adjourn the Executive Session at 12:08 PM. Upon roll call – Ayes: Councilman DiCostanzo, Councilman Kolber, Councilman Weiss, Supervisor Bylewski; Noes: None. Absent: Councilman Casilio. Motion carried. No action taken.