

VILLAGE OF TUXEDO PARK
SPECIAL BOARD OF TRUSTEES MEETING
APRIL 6, 2011
7:30 P.M.

Present: Mayor Houston Stebbins
Trustee Christopher Hansen
Trustee Thomas Wilson
Trustee Robert Zgonena

Absent: Deputy Mayor Gerard Pompan

Clerk: Deborah A. Matthews

Also: John Ledwith, Peter Regna, Steve Maurer, Jim Hays, Alan Heywood, Chris Sonne, Sherry Skutnik, Michael Calabrese

Mayor Stebbins called the meeting to order and led the Pledge of Allegiance.

PUBLIC HEARING – 2012 TENTATIVE BUDGET

A motion was made by Mayor Stebbins, seconded by Trustee Zgonena that the public hearing be opened at 7:37 p.m. The vote was 4-0 in favor of opening.

Mayor Stebbins noted that Budget Officer Gary Pompan cannot attend the meeting tonight. He then gave an overview of the proposed 2012 Tentative Budget:

The total General Fund “Other Revenue” is expected to decline to \$243,500 compared with \$258,692 last year, a reduction of \$15,192. This revenue loss is due to different factors including lower interest income because of lower investment rates, less penalties on tax payments, lower Orange County mortgage filing fees, etc. Separately, in the General Fund, the real estate property tax (Village taxes collected) is projected to decline by \$32,000.

At the same time, General Fund expenditures are expected to decline by \$190,000 due largely to the Village roads litigation winding down, which results in lower expected legal expenses. However, an appeal was filed which may affect the legal expenses. There are a number of significant forecasted expenditure increases: \$100,000 in equipment for a new excavator, a \$50,000 increase in pension expenses which are mandated by New York State, \$50,000 increase in debt principal amortization due to equipment financing under 5-year notes, and the financing costs of a sewer jet owned jointly with the Town of Tuxedo. On a net basis, total appropriations are declining by about \$79,000.

The tax rate will be going up by 12.5% as a consequence of assessments declining by 12%.

Water Fund appropriations are proposed to increase by less than \$2,000, but there will be no increase in water rates.

Speakers:

Steve Maurer – What is 8130.41A Town Sewer Charge? Where does the money come from to fix the Wee Wah Dam?

Sherry Skutnik – Is enough money allotted for a band aid or a permanent fix of the Wee Wah Dam? Did you get estimates? How long will the repair hold?

Alan Heywood – Do you expect the work to start sooner rather than later?

Chris Sonne – Are all expenses on the big lake finished and off the table? Capital expenditure borrowing principal and interest are added to the General Fund budget. Water pipes in the Town are terra cotta and were put in many years ago.

Jim Hays – Weren't there funds available from Sterling Place for the Wee Wah Dam? Are they still available? Why is the refuse budget down? He congratulated the Board on keeping expenses down. Is anything in the budget for moving any part of the DPW? Will the DPW building be painted?

Peter Regna – If the Village finds where the water loss is, can expenditures be reduced? What is the budgetary plan for the guide rail on Tuxedo Road?

Responses:

*There are residents in the Village who are on the Town sewer system and the Village reimburses the Town for their use.

*Money in the Capital Budget has been allocated for repair of the Wee Wah Dam.

*The dam repair requires specialized services and, therefore, the Village is not required to put the project out for public bid. However, at least three proposals will be sent out to capable contractors and masons seeking quotes on our project spec sheet.. We hope to have the work completed and the lake refilled by the end of May.

*The only Village expenditure left on the Tuxedo Lake Dam project is for grouting the culvert pipe that transverses under Tuxedo Road. The lake water level will need to be lowered so the siphon pipes will be going back in. Also a new stop log mechanism is needed.

*The full cost effect of our new borrowings (public debt and equipment notes) will come in our new fiscal year.

*Mayor Stebbins will contact Lou Heimbach (Sterling Place) regarding the \$350K earmarked for the Wee Wah Dam.

*The budgeted amount for refuse collection is down because the contract was renegotiated to a lesser amount for the coming year.

*Regarding unmetered water, there are leaks over the entire system and there may be someone using unmetered water. If the amount of water produced is reduced, production costs may be reduced as well.

*The pipes in the Town are asbestos and the Village continues to search for the source of water loss.

*There is \$300K allocated in the capital budget for guide rails. However 2,750 linear feet brings the cost to about \$385K. Most people feel the guide rail is critical since it's the first thing you see when entering the Village, so we are planning to move ahead with the project.

*A new building for the DPW requires additional land and the Mayor will contact Lou Heimbach (Sterling Place).

A motion was made by Mayor Stebbins, seconded by Trustee Wilson that the public hearing on the 2012 Tentative Budget be closed at 8:20 p.m. The vote was 4-0 in favor of closing.

BUILDING PERMITS

A motion was made by Mayor Stebbins, seconded by Trustee Zgonena that the building permit application of Donald Hanson, 4 Tower Hill Road, Tax Map No. 107-1-24, for retaining walls in the front and rear yard and for porch and patio coverage as approved by the Building Inspector, Village Engineer, BZA and BAR be approved.

Vote of the Board: Trustee Wilson – aye
Trustee Hansen – aye
Trustee Zgonena – aye
Mayor Stebbins – aye

The motion was passed by a 4-0 vote.

APPROVE TUXEDO LAKE DAM AGREEMENT BETWEEN THE VILLAGE AND TUXEDO CLUB

The agreement has been heavily negotiated and has evolved over a considerable period of time, i.e. one and a half to two years. The Village is taking responsibility for the stop log mechanism and the portion of culvert pipe running under West Lake Road. In addition, the Village took care of the NYSDEC mandated items such as decommissioning the water line in the embankment of the dam and the construction of a new water line. The old water line was filled with grout and now belongs to the Tuxedo Club. The Club has responsibility for everything else.

A motion was made by Mayor Stebbins, seconded by Trustee Hansen that the Board approve the Tuxedo Lake Dam Agreement between the Village of Tuxedo Park and The Tuxedo Club subject to minor subsequent modifications as may be agreed by the Mayor.

Vote of the Board: Trustee Wilson – aye
Trustee Zgonena – aye
Trustee Hansen – aye
Mayor Stebbins - aye

The motion was passed by a 4-0 vote.

APPROVE REFURBISHMENT OF WATER PLANT RENTAL HOUSE

The Village, as landlord of the rental house at the water plant, is looking to repair items before the new tenant, DPW Superintendent Jeff Voss, moves in. These items include replacing the carpeting, paint for the interior, and installation of a gutter over the entrance door (previously approved when the roof was repaired).

A motion was made by Mayor Stebbins, seconded by Trustee Zgonena that money be allocated for repairs to the water plant rental house refurbishment in the amount of \$2,000.

Vote of the Board: Trustee Wilson – aye
Trustee Hansen – aye
Trustee Zgonena – aye
Mayor Stebbins - aye

The motion was passed by a 4-0 vote.

APPROVE HIRING TWO SUMMER DPW WORKERS

Two temporary workers are needed for two months during the summer to assist the DPW with grass cutting, weed whacking, and routine grounds maintenance, and to allow more flexibility for the full time workers to take summer vacations.

A motion was made by Mayor Stebbins, seconded by Trustee Zgonena that two workers be hired for the DPW at a rate of \$10 per hour for approximately 9 weeks during the summer to assist the DPW.

Vote of the Board: Trustee Wilson – aye
Trustee Zgonena - aye
Trustee Hansen – aye
Mayor Stebbins - aye

The motion was passed by a 4-0 vote.

WEE WAH DAM REPAIRS

A discussion was held on the need to take immediate action to make the repairs. Since the needed work is a specialized service, there is no requirement for a publically advertised bid. However, the Village will send out a Request for Proposal (RFP), which will include our engineering requirements for this project, that will go to at least three qualified contractors.

Also discussed was the effect of the lake level on the operations of the Wee Wah Beach Club. The work on the dam will be required to be completed no later than the second or third week of May, to allow the lake to refill in time for the swimming season.

A motion was made by Mayor Stebbins, seconded by Trustee Zgonena that because the Wee Wah Dam repair requires specialized services, an RFP be put out as quickly as possible with the specs as Weston & Sampson and the Mayor shall agree upon, and the bid opening date be set for April 20, 2011 at 2:00 p.m..

Vote of the Board: Trustee Hansen – aye
Trustee Wilson – aye
Trustee Zgonena – aye
Mayor Stebbins - aye

The motion was passed by a 4-0 vote.

TUXEDO ROAD GUIDE RAILS

Mayor Stebbins stated that he presented the guide rail project to the BAR at their meeting on March 29th. The preferred design was the rounded, wooden rails with posts augured into the ground. Approximate product and installation costs are \$385K.

A discussion was held on engineering for the location, design, configuration, and installation,

A motion was made by Mayor Stebbins, seconded by Trustee Zgonena that the Village advertise for bids on April 13, 2011 for 2,750 linear feet of guide rail for Tuxedo Road with a bid opening date of April 27, 2011 at 2:00 p.m.

Vote of the Board: Trustee Hansen – aye
Trustee Wilson – aye
Trustee Zgonena – aye
Mayor Stebbins - aye

The motion was passed by a 4-0 vote.

DPW TRUCK FINANCING

A motion was made by Mayor Stebbins, seconded by Trustee Zgonena that the following resolution be declared and approved for authorizing the execution and delivery of an equipment lease/purchase agreement for the financing of a DPW dump truck with plow through Bank of America at a rate of 2.78% for five years:

WHEREAS, the governing body of VILLAGE OF TUXEDO PARK ("Lessee") has determined that a true and very real need exists for the Equipment (the "Equipment") described in the proposed Equipment Lease/Purchase Agreement (the "Agreement") by and between

BANK OF AMERICA NATIONAL ASSOCIATION, together with its successors and assigns, as lessor, and Lessee, as lessee, presented to this meeting; and

WHEREAS, Lessee has taken the necessary steps, including those relating to any applicable legal bidding requirements, to arrange for the acquisition of the Equipment; and

WHEREAS, Lessee reasonably anticipates that it and its subordinate units will not issue tax-exempt obligations in the face amount of more than \$30,000,000 during the current calendar year; and

WHEREAS, Lessee proposes to enter into the Agreement with BANK OF AMERICA NATIONAL ASSOCIATION substantially in the proposed form presented to this meeting.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF LESSEE AS FOLLOWS:

Section 1. It is hereby found and determined that the terms of the Agreement in the form presented to this meeting and incorporated in this resolution, are in the best interests of Lessee for the acquisition of the Equipment.

Section 2. The Agreement is hereby approved. The Chief Executive Officer (Mayor) of Lessee and any other officer of Lessee who shall have power to execute contracts on behalf of Lessee be, and each of them hereby is, authorized to execute, acknowledge and deliver the Agreement with any changes, insertions and omissions therein as may be approved by the officers who execute the Agreement, such approval to be conclusively evidenced by such execution and delivery of the Agreement. The Chief Executive Officer (Mayor) of Lessee and any other officer of Lessee who shall have power to do so be, and each of them hereby is, authorized to affix the official seal of Lessee to the Agreement and attest the same.

Section 3. The proper officers of Lessee be, and each of them hereby is, authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do or cause to be done any and all other acts and things necessary or proper for carrying out this resolution and the Agreement.

Section 4. Lessee hereby designates the Agreement as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

The project to which the original expenditure(s) relates can be generally described as Equipment Purchase for the DPW. The original expenditure(s) will be made from Lessee’s general operating account. The maximum principal amount of the obligations expected to be issued for the project is \$132,570.04. This resolution is being entered into on or before, or not later than 60 days after, the date on which the original expenditure(s) to be reimbursed will or have been paid. This resolution is intended to be a declaration of official intent within the meaning of Treasury Regulations Section 1.150-2.]

Vote of the Board: Trustee Wilson – aye
 Trustee Hansen – aye
 Trustee Zgonena – aye
 Mayor Stebbins - aye

The motion was passed by a 4-0 vote.

CHANGE ORDERS - CLUBHOUSE ROAD WATER LINE PROJECT

A motion was made by Mayor Stebbins, seconded by Trustee Wilson that the two change orders for the Clubhouse Road Water Line project, as outlined in Rich Messer's e-mail of April 6th to Mayor Stebbins, for replacement of a mortared rock culvert with plastic pipe at a cost of \$9,000 and a special connector fitting for installation at the end of the new water line at a cost of \$2,900 be approved.

Vote of the Board: Trustee Hansen – aye
Trustee Zgonena – aye
Trustee Wilson – aye
Mayor Stebbins - aye

The motion was passed by a 4-0 vote.

APPROVE ORANGE COUNTY ENERGY EFFICIENCY GRANT

A motion was made by Mayor Stebbins, seconded by Trustee Hansen that the Village of Tuxedo Park, as recipient of a 2011 Orange County Energy Efficiency Conservation Block Grant, accept the awarded funds in the amount of \$6,299, that the Village will abide by the federal requirements, and that the Mayor be authorized to sign the contract with Orange County as reviewed by the Village Attorney.

Vote of the Board: Trustee Zgonena – aye
Trustee Wilson – aye
Trustee Hansen – aye
Mayor Stebbins – aye

The motion was passed by a 4-0 vote.

ADJOURN TO EXECUTIVE SESSION

A motion was made by Mayor Stebbins, seconded by Trustee Zgonena to adjourn to Executive Session at 9:35 p.m. to discuss legal issues relating to Village operations. The vote was 4-0 in favor.

Respectfully submitted,

Deborah A. Matthews
Village Clerk-Treasurer