

**VILLAGE OF HASTINGS-ON-HUDSON, NEW YORK
BOARD OF TRUSTEES
REGULAR MEETING
DECEMBER 4, 2001**

A Regular Meeting was held by the Board of Trustees on Tuesday, December 4, 2001 at 8:30 p.m. in the Meeting Room, Municipal Building, 7 Maple Avenue.

PRESENT: Mayor Wm. Lee Kinnally, Jr., Trustee Michael Holdstein, Trustee David Walrath, Trustee Bruce Jennings, Trustee Marjorie Apel, Deputy Village Attorney Marianne Stecich, Village Manager Neil P. Hess, and Village Clerk Susan Maggiotto.

CITIZENS: Six (6).

APPROVAL OF MINUTES

On MOTION of Trustee Holdstein, SECONDED by Trustee Apel with a voice vote of all in favor, the minutes of the Regular Meeting of November 6, 2001 were approved as presented.

Trustee Walrath: Page 3: diversion should be diversity. Page 45, the last sentence begins with, Even with our policies; that should have been tacked on the previous sentence.

On MOTION of Trustee Apel SECONDED by Trustee Walrath with a voice vote of all in favor, the minutes of the Regular Meeting of November 20, 2001 were approved as amended.

APPROVAL OF WARRANTS

On MOTION of Trustee Jennings, SECONDED by Trustee Apel with a voice vote of all in favor, the following Warrants were approved:

Multi-Fund No. 47-2001-02 \$212,759.69
Multi-Fund No. 48-2001-02 \$ 73,493.66
Multi-Fund No. 49-2001-02 \$ 26,461.14

78:01 DEMOLITION PERMIT ARCO ENVIRONMENTAL REMEDIATION

Mayor Kinnally: We just had the public hearing on this. Any comments by the Board or by the public?

On MOTION of Trustee Holdstein, SECONDED by Trustee Walrath the following Resolution was duly adopted upon roll call vote:

RESOLVED: that the Mayor and Board of Trustees grant a permit to ARCO Environmental Remediation, L.L.C. for demolition in the central portion of the former Anaconda Wire & Cable Co., specifically Buildings 5-A, 5-B, 5-C, & 78, as identified on the Waterfront Application for Hearing dated Nov. 14, 2001 and attached map.

ROLL CALL VOTE	AYE	NAY
Trustee Marjorie Apel	X	
Trustee Michael Holdstein	X	
Trustee David Walrath	X	
Trustee Bruce Jennings	X	
Mayor Wm. Lee Kinnally, Jr.	X	

79:01 FREE HOLIDAY PARKING

Village Manager Hess: This is a request to the Mayor and Board of Trustees from the Downtown Partnership relative to free holiday parking, which the Board has granted in the past. It is recommended it be approved.

Mayor Kinnally: Again, with a *caveat* that this is two-hour parking. It will be enforced because we want to encourage the turnover of shoppers in the downtown area so that the merchants will benefit from increased patronage.

Village Manager Hess: We are trying to encourage shop owners and their employees to park at other locations, which we have told them about and designated for them.

On MOTION of Trustee Apel, SECONDED by Trustee Walrath the following Resolution was duly adopted upon roll call vote:

RESOLVED: that the Mayor and Board of Trustees approve free two-hour holiday parking from Saturday, December 8 through Tuesday, December 25, 2001 at the following locations: Main Street, Whitman Street, Warburton Avenue (North Street to Washington Avenue), Maple Avenue (Spring Street to Municipal Building Driveway), Southside Avenue, Steinschneider Parking Lot, Boulanger Parking Lot, and the Post Office Parking Lot.

ROLL CALL VOTE	AYE	NAY
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Trustee Marjorie Apel	X
Trustee Michael Holdstein	X
Trustee David Walrath	X
Trustee Bruce Jennings	X
Mayor Wm. Lee Kinnally, Jr.	X

80:01 CHANGE OF MEETING DATES BOARD OF TRUSTEES

On MOTION of Trustee Holdstein, SECONDED by Trustee Apel the following Resolution was duly adopted upon roll call vote:

RESOLVED: that the Mayor and Board of Trustees change the dates of the Regular Meetings of the Board of Trustees to Jan. 8 and Jan. 22, 2002.

ROLL CALL VOTE	AYE	NAY
Trustee Marjorie Apel	X	
Trustee Michael Holdstein	X	
Trustee David Walrath	X	
Trustee Bruce Jennings	X	
Mayor Wm. Lee Kinnally, Jr.	X	

VILLAGE MANAGER'S REPORT

Village Manager Hess: Kendra Van Sickle will replace Karen Gunther as senior recreation leader, and will be coming on board on December 17. Kendra currently works for Children's Village as their aquatic supervisor and recreation therapist. She holds a B.S. degree in recreation from Montclair State University and an A.S. in recreation from Tompkins Courtland Community College. In addition, she will be running our pool operations next year, and she is a certified pool operator.

On December 12 there will be a lecture in a continuing series sponsored by the school district and the crisis forum committee called "On Closing Indian Point." The speaker will be Daniel Rosenblum, a senior attorney with the Pace University Law School energy project.

We have received notification that we have received a grant from the New York State Office of Court Administration for \$2,075 for upgraded equipment in our court.

Library construction is proceeding on schedule. They were pouring foundations today, and we are hoping within the next several weeks to have the addition enclosed. We got our closure from Hygenix on the asbestos abatement.

We have offered a tuition assistance program for police for a number of years. I have recommended to the Board that we expand that program to all employees, and that we appropriate \$5,000 in the general fund to cover this program, the maximum amount we have budgeted for the police. We have, in the past, supported grant applications or specific grants through the Michaelian Institute and Pace University graduate program. We have had several people take advantage of that and graduate from Pace's MPA program, including Susan Maggiotto and Anthony Giaccio, and our former youth advocate. I am recommending the program. If the Board would like to discuss it tonight, we would have to put it on for action at a regular board meeting.

Mayor Kinnally: The Village wants to encourage having people move on with their education and improve themselves. I think we should expand it to include other employees.

Trustee Jennings: I agree. I support the idea. Were you planning to have a requirement that the person maintain a certain grade level in order to become eligible for the assistance?

Village Manager Hess: It would be consistent with our policy with police, which requires them to pass certain courses. The courses have to be pre-approved by me. It would cover tuition, books, and materials as a reimbursement. If you have one person apply all year long, they are eligible for full access to the \$5,000 fund. If you have two people, it would be \$2,500 each. If you have five people, it is \$1,000 each.

Trustee Jennings: So it is carefully monitored and controlled. It really goes towards serious education.

Trustee Apel: Does it need to be related to their job?

Village Manager Hess: It should be as closely as possible, although it is not entirely necessary. For example, a police officer wants to apply for an MPA, which is not really equated to their job, but is in some aspects. We had a recreation leader who worked on his MPA and is now superintendent of recreation in Dobbs Ferry. While he did not get a masters in recreation, he did receive his MPA. We would take a look at each individual case.

Trustee Jennings: Do we have a length of service post benefit requirement, or else a reimbursement of benefit arrangement?

Village Manager Hess: No. But when someone works on their post graduate studies, especially part-time, it takes a number of years.

Trustee Jennings: But one does hate to think of subsidizing somebody's masters, only to have them go to work in the neighboring village.

Village Manager Hess: I understand that, but I think the growth of an individual during the process is important also. The three people I talked about all left. We have gotten one back. But it is part of their growth as individuals. I think that is important for our benefit as well as theirs, even if they decide to leave us after a few years.

Mayor Kinnally: The Board has expressed support for it and we can have it on for an action item.

Village Manager Hess: The last item is my financial analysis. The events of September 11 had a serious effect on the global economy. This impact will be felt throughout Westchester County in the months ahead, and translate to both revenue and expenditure projections of the Village in the future. Approximately 10.4% of our revenue budget is directly related to economic activity, with such items as sales tax, mortgage taxes, and investment income. Sales tax represents 9% of our projected revenues in the budget, and has seen tremendous growth since its enactment in 1992. Over the last five years alone, sales tax receipts have increased 25.5%, or \$144,500. Mortgage taxes represent 1.3% of our revenue, or approximately \$100,000 currently. This amount will be dependent upon the number of mortgages that may be generated in a fiscal year, and has grown over 60%, or \$37,800, over the last five years. Housing sales, which normally average 40 to 45 per year, totalled 68 for the state fiscal year, which ended March, 2001. Investment income, which was projected to bring in \$78,000, or less than 1% of our total revenue budget, had the most immediate impact from the recession and resulting actions by the Federal Reserve. Interest rates, which were in the neighborhood of 5% some six months ago, are now at the 2- to 2.5% level.

On the expenditure side, the most immediate change in our budget will be in the area of public safety. Items which would have been considered luxuries prior to September 11 are now thought by many as necessities. Improved capabilities for our first-responders are necessary to meet the safety needs of our citizens and insure self-reliance in case of a major, or multi-jurisdictional, event. The thorough review of our current appropriations has allowed us to prioritize and acquire necessary items to improve our emergency management capabilities in communications and biological hazards. Our continuing evaluation will translate to specific recommendations for the upcoming budget year.

In terms of future considerations, we will see increases not only in the area of public safety but in the cost of health and liability insurance. Another potential area of cost increase will be the retirement system. This is contingent on the extent of the recovery in the stock market over the next four months. The state will not make that determination until the end of their fiscal year.

In terms of our budget projections and revenues, in sales tax the budgeted revenue was \$736,000 for this fiscal year. At this point, I am projecting that we will receive about \$725,000, or a difference of about \$10,000. Mortgage tax: budgeted revenue \$100,000; projected revenue \$95,000. Investment income, which would be the largest item affected in our budget, would have a loss of \$30,000.

In terms of the expenditure side, I see that we will remain within our projected budget. We will have to continually review our priorities, but the overall budget will not exceed its adoptive authorization by the Board.

In conclusion, the overall economy will not quickly recover. The recessionary cycle we are in will likely last over the next 12 months. There will continue to be a ripple effect, which will be felt by local communities as well as the federal and state governments. While some communities have announced reducing services, and raising taxes up to 18.5%, this is not the appropriate way to combat a recessionary trend. This worsens the situation, and feeds into the ripple effect. Over reaction to an economic situation is just as unwise as under reaction.

The Village has built a strong financial base to withstand a downturn in the economy. Our undesignated fund balance stands at 12.2% of the general fund, resulting in property tax decreases over the past two years and helping us maintain the financial stability of our community. We should stay the course with our adopted budget, monitoring carefully national and regional trends as well as our own expenditure and revenue patterns. We should all continue spending locally, and contributing to worthy causes, to keep our local economy strong, and maintain the level of services that our citizens deserve.

Overall, our financial condition is strong. We will be able to weather the storm, so to speak. I do see light at the end of the tunnel. I am hoping there will be a federal stimulus package on the president's desk before the end of the year. One area of concern is the long-term prospect of grants and what the federal and state scenario is going to be over the next 12 months in terms of grants. That could be problematic.

Mayor Kinnally: As usual, your analysis is a fairly conservative one. It helps us going into the budgeting season because we have to see what impact it has on the current budget as far as appropriated surplus and available surplus, and also to see the effect on our revenues and

expenditures in the next fiscal year. I am somewhat surprised to see that you have a \$5,000 difference in mortgage taxes. I think with the rates coming down very quickly you are seeing a lot more activity in that area. We may see a plus on that, but I think you are prudent to say it is going to be a \$5,000, or 5%, reduction.

Village Manager Hess: We actually will not know until the middle of next year how that is going to affect it. There is a lag time in both sales tax and mortgage taxes. Investment income, we can tell right away. We are down to a 2% investment level. We are averaging 2% with CLASS, where we were averaging over 5% or 5.5% six months ago. There was information today that consumer spending was up a tremendous amount. But that is related to auto sales, people purchasing automobiles now instead of waiting for the first quarter of next year because of the zero financing. It is important that they pass a federal economic stimulus package because the overall economy is going to need it. It is a combination of more expenditures and reducing taxes. That is the best way to deal with a recession.

Trustee Holdstein: Regarding the mortgage tax, despite a slowdown in housing sales, there is definitely going to be an increase in refinances that may offset that part of it. Neil's work all along on the budget leaves us in good stead. Regarding the sales tax, we want to encourage shopping in Westchester County rather than Rockland or Manhattan because we gain sales tax revenue from that.

Trustee Walrath: How about our own borrowing? Is that going to be cheaper right now?

Village Manager Hess: It definitely would be cheaper right now. What was the rate we got on the library bond in June—3.25%? At that point we were investing at over 5%, but now we are investing at 2.42%. If there are projects we have to finance over the next six months, then we will put together a package for the Board to consider.

Trustee Walrath: You said the retirement system will be a potential area of cost increase. Can you explain how that relates?

Village Manager Hess: A majority of the funds that the state earns is through the stock market, and as of September 11, obviously, it was down. The state will determine if employer contributions will have to increase for next year in April, 2002. Our rates for 2002 only amounted to 1/10 of 1% of payroll. That is unbelievable. I can remember years ago when it was 20% of payroll. They are projecting, if they do not recoup their losses through next April, that our contributions could be as much as 4% of payroll next December. That is still very minor. Our payments to the retirement system this year were something like \$3,000 for the general employees, and \$17,000 for the police. Ridiculously low.

Trustee Jennings: With projects like the pool and the community center, we have some big-ticket items. If we could accelerate our analysis and work on that we might be able to take advantage of this window of low rates.

Village Manager Hess: We have to spend the money within two years of the bond resolution. We would certainly be within that window for both projects; the pool is slated to start in September, 2002, and the community center can start any time after August, 2002. Fenwick drainage is another one.

BOARD DISCUSSION AND COMMENTS

1. Update on the Waterfront

Mayor Kinnally: George Heitzman has reported that five samples were taken at Marinello Cove, MC-1 through MC-5. The results were as follows: MC-1, 1.5 parts per million; MC-2, 0.09 parts per million; MC-3, 0.31 parts per million; MC-4, 0.42 parts per million; and MC-5, 0.82 parts per million. These results are preliminary, and subject to revision through the data validation process.

According to his e-mail, "the typical cleanup guideline for surface soil or sediment is one part per million. The MC-1 sample was an organic, muck layer washed up on the northern corner of the cove. The remaining samples were sand, MC-2, and silt 3 through 5. MC-5 was taken from 12 inches down. The rest are surface samples. The slightly elevated result in MC-1 is not of great concern, given the material sample, because it is entirely organic material, which has the greatest potential to absorb contaminants. It represents the worst-case condition for the cove. I will prepare a full report of the sampling and results, and forward it to the Village in the coming weeks." I asked if a cleanup is warranted, given these numbers, and his reply was no. The finalized reports will be available here and in the library, and will be forwarded to the owners of Marinello Cove.

Trustee Holdstein: Will Mark review George's analysis, and give us an opinion to his no?

Mayor Kinnally: We can ask him for that. Also, George said he would send me a draft of a newsletter to the community from the DEC this month.

The White House has endorsed the EPA proposal to remove the PCB's from the Hudson River in the GE-contaminated sites. The fear was that the White House would be moving off of what the EPA had recommended and that the Clinton administration had stood behind. But, apparently, they have withstood the lobbying of GE and are going to go ahead and remove the PCB's.

2. Fenwick Drainage RFP

Mayor Kinnally: David has done yeoman service to pull this together. Do you want to give us some background on what we are going to do?

Trustee Walrath: I have passed out tonight the four-page draft, an attachment A, a drainage map, and a profile of the stream bed. The map shows the area of concern on the north side of Ravensdale Road, Area 1-A. That is the area that is clearly contributing flow to the area that is being flooded. It is meant to be sewerred along Ravensdale to the Saw Mill River, but it is obvious when there are heavy rains that the street inlets are not taking it in and it is running on down. That is one of the things in the scope to have looked at, and corrected.

I would like to see a request for qualifications rather than a whole slew of proposals. I would want applicants to be aware of the content of the RFP, describing our project technically and indicating what we see as the scope items for the study portion of it. They would have seen the RFP to prepare their qualifications: tell us what experience you have that relates to the type of work that is described in this document. Then we will ask you to provide a technical proposal, if we find that you are qualified. We can turn this around quite rapidly. The qualifications are much easier to go through than the technical proposal. I would propose to have them come for a pre-proposal conference, a small group, four or so most qualified, and then give us back in quick order a technical proposal.

The second thing that I did, and I need the Board's concurrence and Neil's comment: rather than asking for cost proposals to accompany the technical proposal, I would like to see a negotiated contract with the selected person. I am not sure whether it would be lump sum.

One thing I tacked in at the last minute: we have sanitary sewers running almost in parallel with our main storm sewer and the open channels, down at least from Fenwick to Farragut Avenue. It now is under the work plan, the first item, page 2: Identify all TV investigation needed to determine the location and the condition of existing buried elements of the storm system, and the location of sanitary sewers near, or crossing, that section of the storm system. We will make sure that the engineer plans the work so that we can avoid disturbing the sanitary sewers, if at all possible.

I am going to ask to look at higher levels of protection, and defining levels of protection, in terms of the return period for a storm that would be kept within the confines of the system. It would not overflow the system at all. We can go on up until we judge we are getting into excessive cost. I have set this scope up that we will look and not necessarily stop at five

years. The advice I got was some people go up to 25. We may decide this is getting too costly, before we get to 25, but we are going to look at the higher numbers, which means a wider channel and maybe a deeper channel, and see how far we can go without the cost getting excessive.

Village Manager Hess: Explain for the public the difference between a five-year storm, a 25-year storm, and a 100-year storm.

Trustee Walrath: The larger the number of years between them, the larger the storms are. So you can draw a curve that relates the return period to the magnitude. It is a direct relation, not an inverse relation. So the less frequent the storm—that is, the greater the period, on-average, you are repeating a storm that size—the bigger the storm is.

Village Manager Hess: That is the design he was relating to: designing for a five-year storm, versus designing for a 25-year storm.

Trustee Walrath: I would love to have comments, but I would also like to at this point get a meeting with the homeowners and explain the thing to them.

Trustee Holdstein: The next step is for David and I to organize another meeting to let them know these next two steps.

Mayor Kinnally: I do not see it being a very lengthy meeting, but we owe them that. And if we could do it before Christmas, that would be great.

Trustee Walrath: If anybody has questions, if they could get back to me in a week or so.

Village Manager Hess: Would we expect that we are going to send this RFP out right after the first of the year to select?

Trustee Walrath: Yes. I have two engineers in mind, but we need a way of reaching out further. I want to talk to you about how we would do that.

Trustee Holdstein: If all of us can review the document and get our comments directly to David by Sunday, so that by the early part of next week we can incorporate those comments into a final document, and then plan to have that meeting with the neighbors a week from Saturday.

Trustee Walrath: That sounds like a good schedule.

Mayor Kinnally: We are still going to have to act on it in a meeting. But it can be used as a working document.

Village Manager Hess: We will be planning to send it out some time in January.

Trustee Walrath: While I should welcome technical comments, it is the administrative approach that I would like to have concurrence on.

Mayor Kinnally: The Saturday before Christmas is going to be tough for a meeting. People are awfully busy this time of the year.

Trustee Holdstein: It might have to be a week night then.

3. RPA Zoning and Design Guidelines Proposal

Mayor Kinnally: We have taken this item off the agenda. We will discuss it at a future meeting.

4. Other

Trustee Apel: Regarding the Indian Point siren test today, if you were concerned that you didn't hear it, it is because it is only good for 10 miles outside of Indian Point. It would be interesting to find out, however, whether it was successful.

Trustee Walrath: On Indian Point, tomorrow night at the community center Tom Abinanti is coming to talk about the resolution for the county legislature to revoke our county's approval of the evacuation plan.

Mayor Kinnally: Every month we get a notice about the Westchester Municipal Officials Association monthly meeting. I would hope that we can coordinate our calendars so that one of us can attend on a rotating basis each month. Let us see if we can make a resolution for 2002 to take care of that.

I have been approached by the School Board's subcommittee on the Cropsey painting to meet to discuss what they want to do with the Cropsey painting and where it will ultimately wind up. Neil and I are going to meet with them on Friday morning. We will have a report on the 18th or in the beginning of January.

EXECUTIVE SESSION

On MOTION of Trustee Holdstein, SECONDED by Trustee Apel with a voice vote of all in favor, the Board scheduled an Executive Session immediately following the Regular Meeting to discuss litigation and personnel.

ADJOURNMENT

On MOTION of Trustee Jennings, SECONDED by Trustee Apel with a voice vote of all in favor, Mayor Kinnally adjourned the Regular Meeting at 9:35 p.m.