

**VILLAGE OF HASTINGS-ON-HUDSON, NEW YORK  
BOARD OF TRUSTEES  
REGULAR MEETING  
FEBRUARY 18, 2003**

A Regular Meeting was held by the Board of Trustees on Tuesday, February 18, 2003 at 8:20 p.m. in the Meeting Room, Municipal Building, 7 Maple Avenue.

**PRESENT:** Mayor Wm. Lee Kinnally, Jr., Trustee David Walrath, Trustee Bruce Jennings, Trustee Marjorie Apel, Village Manager Neil P. Hess, Village Attorney Brian Murphy, and Village Clerk Susan Maggiotto.

**ABSENT:** Trustee Michael Holdstein

**CITIZENS:** None

**Mayor Kinnally:** Trustee Holdstein is out of town tonight on business.

**APPROVAL OF MINUTES**

On MOTION of Trustee Apel, SECONDED by Trustee Jennings with a voice vote of all in favor, the Minutes of the Public Hearing of February 4, 2003 were approved as presented.

On MOTION of Trustee Apel, SECONDED by Trustee Jennings with a voice vote of all in favor, the Minutes of the Regular Meeting of February 4, 2003 were approved as presented.

**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. 60-2002-03 \$ 30,630.79

Multi-Fund No. 61-2002-03 \$113,891.33

**13:03 2003 STOP-DWI CONTRACT**

**Village Manager Hess:** This is the same contract in effect for the past few years, with one major exception: the reimbursement rate has been reduced to \$8,400, down from \$12,400 per year. That limits the number of hours that we are being reimbursed for at \$30 per hour. Our cost is about \$60 per hour.

**Trustee Apel:** What was their reason?

**Village Manager Hess:** I believe they had fund reductions from the state.

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

**RESOLVED:** that the Mayor and Board of Trustees authorize the Village Manager to execute the 2003 STOP-DWI Patrol Project Reimbursement Contract with Westchester County in the amount of \$8,400.00.

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

#### **14:03 STORMWATER PHASE II AGREEMENT**

**Village Manager Hess:** We are under a requirement by the federal government to provide a Stormwater Phase II plan. Phase II has very specific requirements for eliminating discharge into public waterways, putting stormwater management plans into effect, pollution prevention, and good housekeeping for municipal operations. The plan has to be provided to the New York State Department of Environmental Conservation, the lead agency for the federal government, by March 10. A specific plan will be developed in the Notice of Intent (NOI). David has copies of the NOI. We are recommending approval Rotfield Engineering to do this work.

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

**RESOLVED:** that the Mayor and Board of Trustees authorize the Village Manager to sign the agreement with Dolph Rotfeld Engineering, P.C. for engineering services for preparation of the Stormwater Phase II program plan in the amount of \$7,500.00 to be appropriated from the General Fund.

<b>ROLL CALL VOTE</b>	<b>AYE</b>	<b>NAY</b>
Trustee Michael Holdstein	Absent	

Trustee David Walrath	X
Trustee Bruce Jennings	X
Trustee Marjorie Apel	X
Mayor Wm. Lee Kinnally, Jr.	X

**15:03 AUDIT AGREEMENT**

**Mayor Kinnally:** This is an agreement with Bennett Kielson Storch DeSantis & Company for audit services. I ask that this be put over to March 4. Does that affect services that they are doing now for us?

**Village Manager Hess:** No. We are under mandate to comply with GASB 34 by the 2005 fiscal year. I asked them to provide a proposal to help us implement GASB 34 and for audit services. In the first year, the audit service fee is less than we have paid over the last three years: a base fee of \$29,150 versus the \$38,000 paid last year for their audit of the Village and court. I asked them to spread it out over a five-year period so they could fully implement GASB 34. They broke out the additional auditing cost over a three-year period, and the implementation fee over the final three-year period as opposed to charging it all in 2005.

GASB 34 is going to require us to totally change the way we do our financial statements and the way auditing is done at the local government level. It is going to be more like corporate financial statements, and I am not so sure that is a great idea. But the Government Accounting Standards Board (GASB) has set this up. The Hastings school district has to comply this year because of the amount of their budget. If you had a \$20 million budget in 1999 you had to implement it by 2003, \$10 million had to be implemented by 2004, and less than \$10 million by 2005.

You have to value every asset. In the proposed budget the auditing fee will remain about the same. The additional increase is going to be for the fixed asset inventory, between \$8 and 10 thousand. It will be done during this upcoming fiscal year.

**Mayor Kinnally:** Are costs depreciated?

**Village Manager Hess:** There will be depreciation. They will value each piece of furniture, the sewers, the storm sewers, the sidewalks; anything we designate over \$5,000 will be valued and included in the fixed asset inventory. Then the fixed assets have to be evaluated by the auditors, and included in our financial statement.

**Trustee Apel:** Someone does the assessment, and the auditors come in and double-check it?

**Village Manager Hess:** Yes, they are giving us names of several firms to contact.

**Trustee Jennings:** It is going to be significant. And there is also some retroactive requirement recording of all major general infrastructure assets back to 1980?

**Village Manager Hess:** Right, anything that was constructed after 1980.

### **16:03 AWARD OF BID - LAWN MAINTENANCE AND WATERING**

**Village Manager Hess:** Mr. Vulpone was the low bidder. We received two bids. His total for the three years was \$178,500, and the next bidder was \$180,000, Ascape Lawn Service. We made a point in terms of the maintenance of the parking lots, which they are responsible for, that we will be checking them weekly to make sure that they are weeded and cleaned.

**Mayor Kinnally:** Questions were raised last year about the timeliness and thoroughness of the work. We spoke to Mr. Vulpone and received assurances from him that the work would be done properly, and that he would also coordinate with the DPW. He encouraged us to give him as much feedback as necessary. I am glad he re-bid.

**Trustee Walrath:** I am satisfied. There were certain things in his scope that were not getting much attention. On the other hand, they have started going after poison ivy, which may not meet everyone's approval because they are using a chemical. But that was beyond the scope, as I recall. Poison ivy is a serious problem in quite a few places. But the one I was conscious of was Edgar's Lane and Zinsser. We are the property owner on that side. It looks much better. I am happy to have them again.

**Trustee Jennings:** We resolved not only to apprise the contractor of some complaints we had, but also to revamp the supervision and oversight process. The two-pronged approach will be a good one. I want to confirm that Mr. Vulpone understands there will be more inspections to ensure that his employees are doing what they are supposed to do.

**Mayor Kinnally:** That is my understanding, and I also understand that he welcomed the oversight. If there is a problem, call him right away and it will be taken care of. Our meeting and discussions about this internally last summer forced the issue.

**Trustee Walrath:** The contract serves areas that are Parks and Recreation's responsibility and the DPW responsibility. Is that true? We have them both involved now in the supervision.

**Village Manager Hess:** Right, they do mowing and cleaning of islands and they are supposed to do parking lots. I added the right-of-way along Broadway in front of Zinsser Park in front of the wall, which is normally very overgrown. Sometimes it is a matter of the number of employees he has. You have to keep an eye on it that when they are trimming shrubs they are not just cutting the weeds, but pulling the weeds out. It is a matter of oversight.

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

**RESOLVED:** that the Mayor and Board of Trustees award the bid for lawn maintenance and watering for a three-year period commencing March 1, 2003 and terminating December 31, 2005 to Joseph Vulpone in the amount of \$59,500.00 for each year.

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

### **17:03 BOULANGER PLAZA DESIGN AGREEMENT**

**Village Manager Hess:** We have money available within the capital fund that was previously borrowed for work in the downtown, sidewalks and related improvements. We consider this a related improvement. This is a full service proposal from A to Z to provide for the design right through the construction phase of Boulanger Plaza. We expect they would have their design, get approvals from the Board, and be ready to go out to bid for construction in August when the parking in the downtown is least needed. Christina Griffin over the years has done many volunteer efforts on behalf of the Village, and I am recommending her for this. She and Donna Gutkin did an excellent job in the design of Fulton Park as part of the library improvements, and I have heard nothing but compliments about the work they did.

**Trustee Apel:** Did they not already do designs?

**Village Manager Hess:** She gave us a one-page rendering of some ideas she had last spring.

**Trustee Apel:** So she is going to redo them, and that is going to be in the cost?

**Village Manager Hess:** It will be a more detailed design. She will do some preliminaries, present them to the Board and get some feedback. I hope to get the downtown partnership involved. Especially, I would like to talk to the stores at Boulanger and see if they could do some improvements in their rear entrances, and try to do a coordinated effort so everybody can win on this improvement.

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 accept the proposal of Christina Griffin A.I.A. for Landscape Architectural Services for the Boulanger Plaza parking lot in the amount of \$15,335 to be appropriated from bond proceeds.

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

### **18:03 PUBLIC HEARING 2003 - 2004 BUDGET**

**Village Manager Hess:** By law, we have to have a legally published public hearing on the budget. The budget that you will be receiving in a week or so comes to the Board and the public about a month earlier than required by law, to give everybody time to analyze the budget and discuss it. The budget must be adopted prior to May 1.

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

**RESOLVED:** that the Mayor and Board of Trustees schedule a Public Hearing for Tuesday, April 15, 2003 to consider the Proposed 2003-2004 Budget.

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

### **VILLAGE MANAGER'S REPORT**

**Village Manager Hess:** I would like to compliment the Department of Public Works for doing such a good job not only this entire winter but, specifically, during the storm that started Sunday night through yesterday. They did an outstanding job. After collecting refuse this morning after being up all night, they were back out cleaning up around the Village. It will take us approximately a week to get everything cleaned up and to widen streets. The volume of snow is tremendous. I want to compliment everyone in the Public Works Department for a great job.

The 2003-2004 proposed budget normally would have come to the Board this Friday. Every bit of information we are getting from Albany is nothing but bad news. The costs associated with the upcoming budget are tremendous. Pension costs are estimated to be up \$400,000. They are looking at 11% of payroll under the regular employee retirement system, and 15% of payroll for the police retirement system, versus 1% this year. We are working through NYCOM and the state delegation to get the new comptroller, Mr. Hevesi, to break this up over a five-year period to spread out the cost. It appears he is trying to recover all the money lost in the pension system in the bond market. They have gone from a value of \$112 billion to a value of \$97 billion since September 11, 2001. We are seeing other escalating costs as a result of 9-11. We are looking at a Workers' Comp increase next year in the neighborhood of 13%. So we are giving ourselves an additional week of time to re-analyze a lot of things. Other communities have had 25% increases. The county went up 15%, and I do not think they even knew some of the things they are going to be facing over the next year. It is not going to be an easy budget review process this year. I wanted to make everybody aware, and join me in my depression. The work on this budget has been very, very difficult, and it is going to be a very difficult process. Some hard decisions are going to have to be made.

**Mayor Kinnally:** This may be the twentieth budget that Neil has worked on, and 18 of those years I was on the Board. Neil is usually very quiet about the budget. The first time I see or hear anything about it is when everybody else gets it. I knew this was a difficult year because Neil talked about it, and I kept getting calls. My reaction after awhile was, How much is that going to cost us? These are painful times, especially for people on fixed

incomes. But we are all in this together. Neil never overspends or is reckless, but this is going to be an exceptionally difficult year.

I thank you for your candor in letting everybody know that we are going to share the same pain. We talk about state funding and how much state aid are we getting, and the unfunded mandates. We have a very small amount of state aid in our budget. For instance, the STOP-DWI program went from \$12,400 to \$8,400, and the auditing fees increased for the next five years, not because of anything we really need, but because somebody else says you have to be in compliance with GASB 34. And Worker's Comp, and the requirements for the hazmat units, and the bunker gear for the fire department, and all of the other OSHA mandates. Sooner or later it amounts to a lot of money, and it is all coming at us this year.

Neil, thank you for your hard work. And I know it is not over yet. Plus, we have reductions in our assessments because of the franchise special assessments. Again, something we have no control over.

## **BOARD DISCUSSION AND COMMENTS**

### **1. Update on the Waterfront**

**Mayor Kinnally:** We had some serious discussions last week with ARCO's counsel. We are still trying to meet with John Cahill. With everything that has gone on in the state, he has had to cancel a number of meetings, so we are in the process of rescheduling.

### **2. Department of Public Works**

Neil touched on the tremendous job that the DPW did under exceptionally trying circumstances. But we caught a break because it happened on a weekend and into a holiday, so it probably went a little more smoothly than had it been on a regular workday. But I also want to commend the fire department and the volunteer ambulance corps, many of whose members stood by in the fire houses on Sunday night to staff the fire houses in case there was a call. They kept the aprons to the fire houses cleaned off, so if a call came in they did not have to be roused out of their homes. They were there to answer a call and, luckily, no calls came in in that period of time.

I would urge all residents to shovel out the fire hydrants in the immediate vicinity of your home and also the catch basins so the melting snow can go right into the storm sewers instead of coursing across the roads, and ponding, and then freezing up at night.

### **3. Refunding Bond Resolution**

**Village Clerk Maggiotto:** I received a call from Ray Hart, our financial advisor, suggesting that we might want to prepare a refinancing bond resolution to refinance some bonds we have outstanding from 1994 in order to get a better interest rate on them. The interest rates on these bonds range from 5.375% to 6%. We could get a better rate but certain criteria should be met. The standard to judge whether the refunding would be effective is that the savings should equal 3% of the principal amount of the new bonds to be issued. At this point, we are not quite there. We are at 2.3%. We are talking about savings with a nominal amount of \$47,000, present value \$42,000, spread over the next 11 years. The picture could change if interest rates decrease further which is unlikely though not inconceivable considering the geopolitical situation. But as we get closer to the call date of the bonds we could get to that magic number of 3%, where it would then become reasonable to refinance.

Mr. Hart suggests we have our bond counsel prepare a refinancing resolution, which you would pass. It would not oblige us to refinance, but we would have done all the paperwork, and the waiting periods would have been accomplished, so that when the market is ready, we are ready. We could instruct bond counsel to prepare the resolution. There is no cost to us for doing that. We would not compensate Mr. Hart or bond counsel until we actually issue the refunding bonds, if at all.

**Mayor Kinnally:** Neil, your recommendation on this?

**Village Manager Hess:** That we move forward on the refunding resolution. We may never use it, but we may have an opportunity to save \$40,000.

**Mayor Kinnally:** I agree. Bruce, do you agree?

**Trustee Jennings:** Yes.

**Mayor Kinnally:** David?

**Trustee Walrath:** Yes.

### **4. Collateral Source Bill**

**Village Attorney Murphy:** This is a matter that deals with compensation of municipal employees claiming to have been injured by negligence from municipalities. This bill

addresses particularly the collateral source issue for governmental employees. When a person is injured, under New York State law the court is allowed, in the case of private employers or private individuals, to recognize that they will receive certain benefits outside of the court structure, such as medical payments from health insurers or from auto insurance, that will offset any verdict that is achieved against a private individual. For example, if a person is awarded \$100,000 in court, but receives \$20,000 worth of benefits from their own health carrier, that can be deducted from the total amount. So the plaintiff is not being, in effect, paid double for the same injury. Unfortunately, with municipal entities and governmental employees you do not get the same situation. You do not get a collateral set-off.

The article in your packet offers a good example: a municipal employee who was injured; there was negligence found; he winds up receiving a verdict. But if he is unable to go back to work the municipality is, in effect, picking up his pension because he was injured on the job. So he is gaining a double benefit. The bill would eliminate the exemption against an across the board collateral source application that is now suffered by municipalities. If this were approved and passed, it would save municipalities a considerable amount of money.

**Mayor Kinnally:** And the money savings would be reflected in an insurance rating.

**Village Attorney Murphy:** Ultimately, your premiums should fall. It also might dissuade some number of lawsuits.

**Mayor Kinnally:** I have been getting memos from corporation counsel's office in the City of New York urging that the Board do this. If we can have draft legislation next time, we will put this on. It looks like it will help us, and prevent the windfall that could accrue to plaintiffs.

## **5. Other**

**Trustee Apel:** I am concerned about the public and their concerns about what they should do in an emergency. Neil has sent a letter to those that have e-mail, letting them know that we are prepared here. My concern is for those people that do not have e-mail. If they would like a copy of that letter, we would be very glad to give you the information. You can watch us on cable or listen to us on the radio. These are important things for the public to know so that they feel comfortable in case of an emergency.

**Mayor Kinnally:** We should also talk to *The Enterprise* and see if they will take what we have and put it into an article and do the same thing with *The Journal News*.

**Trustee Apel:** *The Journal News* did put out an article, but not specific to us, which was very good. I am always concerned that there are people who are not even going to be able to watch this because they do not have cable, and they may not get the newspapers. I feel strongly that it is up to us to try to present information as broadly as possible so that people will feel comfortable. If we can get it in the paper and, eventually, in our newsletter, the community will get an announcement. But before then, if you have a neighbor who does not get cable, please let them know that there is information out there and we would be very happy to get it to them.

**Village Manager Hess:** Redcross.org is a good site to go to for individual family planning. We can develop all the plans we want from the Village standpoint, but if the parents are both at work and the child is in school, people get separated for one reason or another; they should have their own internal family plan in case communications are cut off. Where do we meet? Where do we go? Each family has to discuss those type of things.

We have evacuation plans in place in the Village for specific areas. The Village is all broken down into areas. We have locations for shelters. We have locations in case there were a number of casualties and we had to triage people. Our emergency response team develops all these plans. Our first responders are prepared. They are at a training session tonight at the high school. Our fire department does a tremendous job in keeping everybody updated. We are very prepared in terms of any type situation, whether it is a snowstorm or a major flood or some kind of chemical spill: the people we have are prepared, well-trained, and committed to making sure that the residents of the Village are protected.

**Trustee Apel:** There is a federal government Website for more information: [www.fema.gov](http://www.fema.gov), with a link to "are you ready?" There are going to be lots of sources of information, but if people want the information it is there and we certainly feel more than happy to give people information if they need it.

**Village Manager Hess:** Redcross.org has a very good checklist of things that you should have in your basement: extra water, first aid kits, radio with batteries, flashlights. They give you a complete list on how to be prepared for most situations. People got a little tense about the alert status. I am not going to blame Homeland Security or the federal government for doing it, because they were criticized before for not getting out information, and now that they have gotten out information they are being criticized for making people panic. At some point we have to trust our government officials, that we hope they know what they are doing and are moving us in the right direction.

## **PUBLIC COMMENTS**

There were no public comments.

**EXECUTIVE SESSION**

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

**ADJOURNMENT**

On MOTION of Trustee Walrath, SECONDED by Trustee Apel with a voice vote of all in favor, Mayor Kinnally adjourned the Regular Meeting at 9:20 p.m.