

**VILLAGE OF HASTINGS-ON-HUDSON, NEW YORK
BOARD OF TRUSTEES
REGULAR MEETING
MAY 3, 2005**

A Regular Meeting was held by the Board of Trustees on Tuesday, May 3, 2005 at 8:00 p.m. in the Meeting Room, Municipal Building, 7 Maple Avenue.

PRESENT: Mayor Wm. Lee Kinnally, Jr., Trustee Michael Holdstein, Trustee Bruce Jennings, Trustee Marjorie Apel, Trustee Peter Swiderski, Village Attorney Brian Murphy, and Acting Village Manager/Village Clerk Susan Maggiotto.

CITIZENS: Five (5).

APPOINTMENTS

Mayor Kinnally: The first item is the appointment of Becca Mudge to the Library Board. I welcome her and thank her for volunteering her time to a very valuable board.

APPROVAL OF MINUTES

On MOTION of Trustee Holdstein, SECONDED by Trustee Swiderski with a voice vote of all in favor, the Minutes of the Organizational Meeting of April 7, 2005 were approved as presented.

On MOTION of Trustee Apel, SECONDED by Trustee Holdstein with a voice vote of all in favor, the Minutes of the Public Hearing of April 7, 2005 were approved as presented.

On MOTION of Trustee Apel, SECONDED by Trustee Holdstein with a voice vote of all in favor, the Minutes of the Regular Meeting of April 7, 2005 were approved as presented.

APPROVAL OF WARRANTS

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

Multi-Fund No. 84-2004-05\$ 45,447.19

Multi-Fund No. 85-2004-05\$ 15,329.07

Multi-Fund No. 86-2004-05\$104,069.29

**50:05 COMMUNITY DEVELOPMENT PROGRAM AGREEMENT WITH
WESTCHESTER COUNTY**

Acting Village Manager Maggiotto: At the beginning of each new funding cycle of the Community Development Block Grant program, we have to renew our agreement. We will be applying for the next round of CDBG grants, and HUD requires that we enact this resolution.

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

WHEREAS, the Secretary of Housing and Urban Development of the United States is authorized, under Title I of the Housing and Community Development Act of 1974 as amended, and Title II of the National Affordable Housing Act of 1990, as amended, to make grants to states and other units of general local government to help finance Community Development Programs; and

WHEREAS, Section 99-h of the General Municipal Law of the State of New York grants to any municipal corporation the power, either individually or jointly with one or more municipal corporations, to apply for, accept and expend funds made available by the Federal government, either directly or through the State, pursuant to the provisions of any Federal law which is not inconsistent with the statutes or constitution of this State, in order to administer, conduct or participate with the Federal government in programs relating to the general welfare of the inhabitants of such municipal corporation; and

WHEREAS, the Community Development Act of 1974 as amended, Title II of the National Affordable Housing Act of 1990, as amended, and any “Eligible Activities” thereunder are not inconsistent with the statutes or Constitution of the State; and

WHEREAS, a number of municipalities have requested Westchester’s participation, and the County of Westchester has determined that it is desirable and in the public interest that it make application for Community Development Block Grant funds and HOME funds as an Urban County; and

WHEREAS, participation by the County of Westchester as an Urban County in the Community Development Program requires that the Village of Hastings-on-Hudson and the County of Westchester cooperate in undertaking, or assisting in undertaking, essential community development and housing

activities, specifically those activities authorized by statutes enacted pursuant to Article 18 of the New York State Constitution; and

WHEREAS, this Board deems it to be in the public interest for the Village of Hastings-on-Hudson to enter into a Cooperation Agreement with the County of Westchester for the aforesaid purposes; now therefore be it

RESOLVED: that Acting Village Manager Susan Maggiotto be and hereby is authorized to execute a Cooperation Agreement between the Village of Hastings-on-Hudson and the County of Westchester for the purposes of undertaking a Community Development Program pursuant to the Housing and Community Development Act of 1974 as amended and Title II of the National Affordable Housing Act of 1990, as amended.

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

51:05 APPOINTMENT OF CDAG REPRESENTATIVE

Acting Village Manager Maggiotto: We need a Community Development Advisory Group representative for the block grant program, especially now as we are preparing the new round of grants, for input in developing the grants and signing off on the application. Our most recent representative moved away. This person is ideally someone who lives in the area eligible to receive the funding. Jim Stadler is a lifelong resident of Hastings, at 8 West Street, is willing and able to do it and is very interested in the program. We are very grateful for his help.

Trustee Holdstein: Will Jim work with Angie in developing the grant applications? I would assume the actual applications have to come from the Village and the Planner.

Acting Village Manager Maggiotto: She will prepare them, but we need community input into the substance. Jim will be our liaison to the community. He will also attend quarterly meetings with the county.

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

RESOLVED: that the Mayor and Board of Trustees appoint James T. Stadler as the Village of Hastings-on-Hudson representative to the Community Development Advisory Group to assist in Community Development Block Grant Applications.

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

52:05 SCHEDULE PUBLIC HEARING NO PARKING EDGEWOOD/SUNSET

Mayor Kinnally: This is a matter that has come to us from not only the community, but also the police department and Safety Council. It is extending a prohibition that we had in place for a period of time, and expanding it. This will assist those areas and the police department in controlling some of the problems in Hillside Woods.

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 schedule a Public Hearing for Tuesday, May 17, 2005 at 8:00 p.m. to consider the advisability of adopting Proposed Local Law No. 8 amending the Vehicles and Traffic Chapter of the Hastings-on-Hudson Code to prohibit parking on Edgewood Avenue and Sunset Street between 9:00 p.m. and 6:00 a.m. from March 1 through September 30.

ROLL CALL VOTE	AYE	NAY
Trustee Michael Holdstein	X	
Trustee Bruce Jennings	X	

Trustee Marjorie Apel	X
Trustee Peter Swiderski	X
Mayor Wm. Lee Kinnally, Jr.	X

53:05 SUPPORT RESOLUTION - NEW YORK STATE MAIN STREET PROGRAM

Acting Village Manager Maggiotto: At the beginning of the planning for the renovation of the Boulanger parking lot we did not focus on the neighboring properties that back onto the lot. As we developed the plans and budget with Christina Griffin we realized we did not have enough funds to do what we really wanted to do to enhance the entire area.

We have come up with a couple of solutions. One is that in the next round of community block grant funding we are going to apply for grants for the public plaza area. Those monies will be available to us after June 1 of next year. The second one that I find quite exciting is this resolution that we have just read. The grant came to the attention of our Planning Director a week or so ago. She was able to put together an application that helps to develop a public/private partnership for revitalization of a neighborhood.

It is a strong application because it brings together many different elements and because we are so far along already. Part of the monies would be used by the owners and the storekeepers to enhance their properties. There will be a contribution on their part because it is a public/private partnership. But it would be money well spent if they choose to do it, and we certainly hope that they will. Because this came up so quickly, we have not had the time to let all the owners know that this is in the works. But Angie plans, along with Sue Smith because this money is being funneled through the Affordable Housing Development Corporation, to explain the program to the owners and tell them what their options will be if we are fortunate enough to get these funds. We will know by the end of the year whether we have received this grant or not. If everything falls into place, we will be able to develop it the way we really want to.

Mayor Kinnally: This brings the property owners and the merchants into it, where they have a stake, and it is an enhancement of not only their properties but their businesses. It could set an example for the other side of the buildings, and Main Street and Warburton Avenue.

Trustee Swiderski: Why was the Affordable Housing Development Corp. chosen as the lead agency here? It strikes me as an interesting choice of conduit, given that it has nothing to do with affordable housing.

Acting Village Manager Maggiotto: There is a residential component to this with the apartments above the stores and entrances to the housing, so this is enhancing this moderately-priced housing in the Village.

Trustee Swiderski: Is the money intended to upgrade the physical grounds in front of the stores, or is it storefronts?

Acting Village Manager Maggiotto: This would be for the property that belongs to the owners, not public property, effectively the storefronts and to the property lines of the lot.

Trustee Swiderski: Is there an expectation they will be contributing?

Acting Village Manager Maggiotto: Yes, they have to contribute in order to get the money.

Trustee Apel: Who makes up the design of the buildings?

Acting Village Manager Maggiotto: The design is being worked on by Christina Griffin, but as we bring the owners in we would like to have some consistent design. A strong part of it will be the screening, and that should be consistent from property to property. Pavement should be consistent. What they do to the backs of their stores is their choice.

Trustee Holdstein: What is the match obligation? Because one of my concerns, while I am certainly in favor of the undertaking, is that as a community we have so many times that we can ring the bell at Albany's doorstep for money. Each time we apply in a given cycle it reduces what we can apply for later. Getting monies to assist private owners, while it enhances a broad public arena, the commitment on their part is critical for us to be using up one of our markers for grant money. The owners will need to step up to the plate with a strong commitment, with intent as well as with dollars.

Acting Village Manager Maggiotto: Exactly. The state feels the same way, which is why their financial participation is required.

Trustee Jennings: None of these funds can be used for any public space, so that we as a village cannot enter into a 50/50 cost-share the way a private owner could?

Acting Village Manager Maggiotto: No. This is primarily for the private owners. This is a demonstration project. We are hoping we can show how well we have used these monies and

then go back for more for other areas of the downtown, because that is what these funds are targeted for. I know what you mean about not going to the well too many times, but we are going to different parts of the well. And they really want to put the money into downtowns like ours. The residential aspect is a big part of it, to improve where people are living .

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

WHEREAS, as the Hastings-on-Hudson Affordable Housing Development Fund Company, Inc. (HOHAHDFC), has been instrumental in furthering affordable housing and economic revitalization opportunities in and near downtown Hastings-on-Hudson; and

WHEREAS, the Village of Hastings-on-Hudson has begun implementation of a three-phased improvement project to Boulanger Plaza and Parking Lot, specifically including:
Phase 1: Reconstruction of Boulanger stone wall which is currently underway.
Phase 2: Boulanger parking lot improvements
Phase 3: Facade and access improvements to private commercial and mixed-use properties with rear entries adjacent to Boulanger parking lot, and

WHEREAS, the seven buildings include 10 business establishments and 26 residential units above the ground floor and improvement to the parking lot entries will benefit the economic development of the downtown as well as the safety of residents, and

WHEREAS, the New York Main Street Program, administered by the New York State Department of Housing and Community Revitalization, offers grants (\$50,000 to \$200,000) to non-profit organizations for Facade Improvement, Building Improvement and Downtown Anchor projects and up to \$25,000 for Streetscape Enhancements done in conjunction with one of the three project types; and

WHEREAS, the HOHAHDFC proposes establishment of the Hastings-on-Hudson Main Street BUILD (Boulanger Upgrades and Improvements for a Landmark Downtown) Program to assist in the implementation of Phase 3 of this comprehensive project; now therefore be it

RESOLVED: by the Board of Trustees of the Village of Hastings-on-Hudson that in order to begin the process of obtaining these funds, this Village Board supports the application of the Hastings-on-Hudson Affordable Housing Development Fund Company, Inc. for its application to the New York Main Street Program for the Hastings-on-Hudson Main Street BUILD Program.

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

54:05 TAX WARRANT 2005 - 2006

Mayor Kinnally: This is a statutory requirement implementing what we did last week in passing the budget. It allow us to levy and collect the taxes.

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

RESOLVED: that the Mayor and Board of Trustees authorize the Mayor to sign the Tax Warrant for 2005 - 2006.

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

55:05 WESTCHESTER COUNTY DEPARTMENT OF COMMUNITY MENTAL HEALTH UNIFIED SERVICES 2005-2006 AGREEMENT

Acting Village Manager Maggiotto: This is the contract for the program that funds Bill Finkeldey's program, and the level is unchanged.

Mayor Kinnally: We have escaped, over the years, the budget hatchet because we were one of the first programs like this in the state and we have run a very tight program. We have credibility.

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 authorize the Village Manager to execute the Unified Services Agreement between the Village of Hastings-on-Hudson and the Westchester County Department of Community Mental Health for the period January 1, 2005 through December 31, 2006.

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

56:05 ROWLEY'S BRIDGE TRAIL DESIGNATION AS GREENWAY TRAIL

Village Naturalist Fred Hubbard: The Village applied for this designation in the Greenway system, and this is a distinctive honor because we would be the only village in the Rivertowns that would be part of this system. We have very good relationships with the Greenway Council, and we are assured of approval pending designation by the Board.

Mayor Kinnally: Kudos to you and to your committee and to all the people who labor long and hard in establishing the trail. It is tremendous that we are blazing a trail, if you will, among the river villages.

Trustee Swiderski: In passing this resolution, we are giving up any control over the easement we have on the trail? Is there any ceding of authority to Greenway?

Mayor Kinnally: Fred is shaking his head negative, so I take that as gospel.

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

WHEREAS, Article 44 of the Environmental Conservation Law (ECL) directs the Greenway Conservancy for the Hudson River Valley, Inc. to designate a Hudson River Greenway Trail, and

WHEREAS, the Village of Hastings-on-Hudson manages, owns or holds an easement for a community trail which will enhance the opportunity the public has to appreciate and support the preservation of the historic, scenic, cultural, recreational and natural resources along the Greenway Trail, and

WHEREAS, the Village of Hastings-on-Hudson requests that 2,300 feet of the Rowley's Bridge Trail be designated as a riverside/countryside/connector trail as part of the Hudson River Greenway Trail System, now therefore be it

RESOLVED: that the Board of Trustees of the Village of Hastings-on-Hudson requests designation of the Rowley's Bridge Trail as part of the Hudson River Greenway Trail System.

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

57:04 BID ACCEPTANCE DUMP TRUCK

Acting Village Manager Maggiotto: Last fall when we authorized the purchase of the dump truck and had a bond resolution for that and a couple of other vehicles, the price was \$110,000 under the state contract. But since that time, the truck is not available under state contract so we had to solicit bids for it. The bids range from \$123,000 to \$145,000.

We need the truck. Mike Gunther would like to have it in service for the heavy part of winter. We have two large trucks, and if one of them goes down we are going to have a tough time. We are going to have to find the \$13,000 from the general fund, and I think we can do that. Delivery would be in December if he can order it right away.

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

RESOLVED: that the Mayor and Board of Trustees accept the bid of Deluxe International Trucks, Hackensack, New Jersey for a 2006 Dump Truck in the amount of \$123,379.00, \$110,000.00 to be paid from bond proceeds and \$13,379.00 to be paid from the general fund.

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

VILLAGE MANAGER'S REPORT

Acting Village Manager Maggiotto: Early bird pool registration is open for the month of May. Saturday, May 28, is first day of the pool season. It is free to everyone. If you have not seen our beautiful new pool and enjoyed it yet, come and dip your toe in and maybe you will be inclined to sign up for the whole season. The following day, Sunday, is our Memorial Day parade, as usual, 2 p.m., along the same route that it has had the past few years.

The skate park will be open from 4 to 6 p.m. during the week and noon to 6 p.m. on weekends. But you must go to the Recreation Department and register first.

The volunteer firefighters are having their carnival at Zinsser Field in a couple of weeks, starting on Wednesday night, May 18 and running through Saturday night, at 6 p.m. every day. You can head over there for the usual rides and games. There will be a parade on the 21st at 6 p.m.

The Boulanger wall is moving along. It took its proper curing time and now is being backfilled. Please look at the several samples of a stucco color. We are trying to complement the stone and the grouting below it and next to it.

Trustee Jennings: Is there any way we can get a photograph of a large surface area of the color we choose before we make the final go-ahead? We painted our house from a little patch of a certain shade of yellow. The guy painted the back of the house. We thought it was terrible. A little patch and a huge space, it looks so different.

Acting Village Manager Maggiotto: Maybe after they have been narrowed down to two choices we might do a bigger patch.

Trustee Apel: My understanding is that the bigger the space you paint the darker it appears. If you want it to be light, you cannot pick the darkest color because it is going to appear even darker. The other thing we have to remember is how much we are going to see once everything grows in.

Trustee Holdstein: My concern is with the grout used in the patching of the lower wall. They should try to match the old. I would them to do as good a job as they can so it is not glaring.

Acting Village Manager Maggiotto: I am sure that that is exactly Christina's concern and she will be on top of that, but I will have that conversation with her tomorrow.

Trustee Holdstein: The stop sign at Tompkins?

Acting Village Manager Maggiotto: The reason it is not up is because Mike has not been able to paint the stop line on the street because it has been too cold. As soon as it is a little warmer in the morning, he will start all the street painting, including that line.

Trustee Swiderski: When is the artificial brick in the downtown going to be finished?

Acting Village Manager Maggiotto: I met with the woman from the Bomanite company two weeks ago, and she was supposed to have been here this week. Obviously, they were not here, but I will follow up on it again. We walked the whole Village, and she made notice of everywhere that needs to be completed, places that need to be done over.

Trustee Swiderski: Do have financial leverage over them? Bills still to be paid?

Acting Village Manager Maggiotto: No, we have paid them for what they have done. I do not think we need the leverage. I reminded her we were supposed to be her first project in the spring. I do not think we are the first, but we are near the top of the list.

Trustee Holdstein: Is that also a byproduct of the weather?

Acting Village Manager Maggiotto: Yes, and based on our experience the last time, we had the worst problems because of the rain. We have to wait for a dry stretch.

BOARD DISCUSSION AND COMMENTS

1. Update on the Waterfront

Mayor Kinnally: I have been advised that ARCO has awarded a contract to Compass Environmental, Inc. for the One River Street site. This is a full-service industrial cleaning, demolition, and environmental restoration company headquartered in Chicago. On the issue of remedial design services, a contract is being reviewed and is expected to be signed in the next week or so with Haley & Aldrich, a consulting firm specializing in underground engineering, environmental science, and environmental management consulting. ENSR International, a global provider of environmental and energy development services, is set to be awarded the contract for remedial design services. So there is progress in that regard with design, demolition, and asbestos removal. Are they still holding to the July 31 completion of demolition?

Fred Yaeger, ARCO liaison: I believe so, yes. Atlantic Richfield Company, through Parsons, will oversee the entire cleanup operation of Compass. Then once the contract is signed for the remedial design with Haley & Aldrich we will also oversee and monitor that effort, as well. We are going to keep working closely with Susan and the mayor and the other staff at the Village to keep everybody informed so everybody will know beforehand what is being done.

Trustee Holdstein: Once the asbestos removal is completed, is there then a step where they have to sign off on the final completion before you go on to the next step?

Mr. Yaeger: I will find that out and report back.

2. Community Center

Mayor Kinnally: We are in receipt of a letter from Jim Lothrop outlining the additional costs with a project estimate of \$5,239,776. I had asked for the cost estimate for all brick instead of the stucco and the elimination of the second floor. We now have all the information that we requested, and at least from my standpoint that I need, to look at this project and to move it along. I am going to open it up for discussion. Michael?

Trustee Holdstein: As you said earlier, you know where I stand.

Trustee Apel: In terms of the \$100,000 for the furnishings and equipment: are those things that have to be built in?

George Rosamond, Lothrop Associates: That is movable furniture.

Trustee Apel: Does it have to be on this particular budget?

Acting Village Manager Maggiotto: If the question is whether it would come out of bond proceeds or not, it would not be part of the bid, but bond proceeds could be used if money were left at the end of the project.

Trustee Holdstein: But, although we voted for a \$5 million bond resolution, that does not mean you could not spend \$4 million.

Acting Village Manager Maggiotto: Right. You do not have to borrow the full amount.

Trustee Swiderski: I do not have a problem with the square tower. I think it complements the square tower of the church, so I am fine with it. This is a 50- to 100-year building. For the 1.2% increase in cost I would rather have something that will look more solid and be more solid, and so therefore favor a complete brick versus stucco finish.

I have no trouble with the proposal by Lothrop for the increased daily construction coordination. That 1% additional cost will help to contain the overall cost of the project by closer management. The \$61,000 could be thought of as investment in controlling the cost of a project that could easily go 10% over budget and be substantially more than \$61,000.

Mayor Kinnally: I agree about brick. If and when we bid this out, we should do it as alternatives and get an idea. Jim Lothrop gave us what we wanted as far as the construction management number. But we should consider if we want him to be the construction manager. There may be alternatives there.

Trustee Jennings: I think we ought to try to stay with the brick, at \$70,000, and economize elsewhere. To lose the look, particularly in the context of the whole street, is a shame.

You do not want to have a beautiful building that does not have any furniture in it and you cannot do the programs. We have to deal with that expenditure and see it as an integral part of this project. We might have some other ways that we can address furniture or the fittings later. It might be a private fund-raising opportunity. But let us not view that as a luxury item.

Trustee Holdstein: Regarding the oversight, it would be a nice luxury to have representatives from Lothrop on the site every day. On the other hand, if our own Building Inspector is on top of the site and our own management people are there on a daily basis and the Lothrop people are there once a week and we have good plans, I am not sure that that \$61,000 is needed to be spent

Mayor Kinnally: We can discuss that further at a later point. Let us go to the second story.

Trustee Apel: I still feel very strongly that you should do it right from the start. First, if you do not put on the second story, the building is not going to be any taller than it is now and will look dwarfed in comparison to the other buildings in the area. If we do it now and it is paid over the years of the borrowing, it is well worth the money. You could not do it later for the same amount of money. We need the facilities; we are already out of space. This additional space for the media, or center, is something that we greatly need. It is more cost effective to do it now. If we do not do it we probably never will, and then we will be stuck for space and wonder what were we thinking.

Trustee Holdstein: I am extremely excited and enthused about a new Community Center, so I am very much in favor of it. I am not in favor of the second floor. Any project we embark on we can always look back, 10 years or 20 years or 30 years and say, we coulda, woulda, shoulda. Down the road, as we need space we will find space if we have to do some other things. But adding \$600,000 for that second floor is not being, in my opinion, fiscally prudent. As taxes continue to go up, as we continue to have other stresses on our budget and on our tax-paying citizens, we ought to pare it back. I have said that all along, and nothing has changed my opinion. I close by saying nonetheless I am excited with a new Community Center.

Trustee Jennings: I agree, largely, with Marge. We ought to look at what we need and what we can put to good use rather than have a certain fixed number in our minds and then pare the project back so that it does not exceed \$4.5 million or whatever the fixed number would be. In the long run you end up regretting that.

In terms of the increased indebtedness, that is certainly a concern. The increasing tax rate year after year is certainly a concern. We should not, if we can help it, cut back on amenities and services and quality of life in the Village, but we rather ought to increase our tax base and increase our revenues to deal with our problem of increased taxes. So I do not think that this is best place to solve that, granted admittedly, serious problem.

It would be a responsible, not an irresponsible, move at this time to make this additional expenditure to have that much better a facility for many years to come, to take advantage of borrowing rates that are relatively low at the moment, ever mindful of the fact that we do not want to get ourselves in over our heads. But our level of indebtedness at this present time is not so high as to raise that concern. We are well within our parameters and we can afford it and this is the time when we should do it. The Village Hall project, the library project: both of those suggest to me that we do need space for a lot of activities. When we build it, it is put to good use and we will not regret this if we do it.

Trustee Swiderski: A Community Center is a focal point in the connectedness of the Village. As other ways and means for people to reach out to each other fade away, this will be an important

part. In planning for the future, where there is likely to be more use of these facilities instead of less, I am in favor of the second floor.

Mayor Kinnally: I have said in the past nobody is wrong on this. Michael, as usual, is mindful of our extension of debt. I am going to ask the Village Manager to give a report on the debt, but it is an extraordinary opportunity for the Village to do something that has been long needed in the Village. If you take a look at our facilities, aside from some of the Parks and Rec facilities at the fields, this is the one that needs attention the most. We have expanded our programs not only for kids but also the seniors and the toddlers, beyond what we could have imagined 25 years ago.

The building has exceeded its life expectancy. The physical plant is bad. The utilities in the building are bad. It is time for us to do something. The question is do we go beyond replacing the building and anticipating the future needs of the Village. I do not discount the problems that Michael identifies as far as the continuing tax increases. But those who will sit in our place in 10 or 15 years will not have to wrestle with the issue of should they have done something in 2005 which was logically consistent with an increase in the size of the building: put on a second story. If we add it at a later date, it will do violence to the building and will look like an addition.

Another \$600,000 is a lot of money. But this is an opportunity, and we should seize the opportunity. So as much as I do not want to take on a lot of debt, this is where we should focus our efforts. I am going to ask the Manager to give a report on the debt. Then we can give some direction to the architects, if we go forward with this, so we can go out to bid and catch some of the construction season.

Acting Village Manager Maggiotto: We do have \$500,000 in grant funds to apply towards the building, so it is possible that we may not need to borrow the full \$5 million. But having said that, I ran some numbers assuming the worst case scenario of borrowing the full \$5 million and borrowing it next year, which is probably not the way it will work out. We will probably borrow some of it next year, payable in 2006-07, and then the balance the following year. I looked at that and also at the other borrowings that we need to do in the coming year for certioraris, street resurfacing that we have already expended and we are committed to another \$200,000 a year, vehicles, the ambulance, and then the Community Center.

Your policy says that we should keep debt service within 10% of operating revenues. Assuming a higher interest rate on short-term borrowing, the bottom line show that we would, in the following year, be paying 10.8%. Neil has, over the years, given you various reports, and I pulled those out. He managed to keep it under 10%, except for a couple of years where there were little blips. If the more likely scenario occurs, that we do not borrow the whole amount next year but break it up, then we are at 9.5%. But we are close to what we should be borrowing. Ray Hart, our financial

advisor, said to me today that our 10% sets a framework and it is a discipline, but we should not think of it as a straight jacket. If we have a project that we are committed to and feel is important, now is a good time to do the project. This is the time that you borrow the money, when the interest rates are low.

Trustee Swiderski: Instead of a fixed interest rate?

Acting Village Manager Maggiotto: No, not initially. Unless we decide to go immediately to the bond market, which we could do at the end of the project when we know how much we have spent. Initially it would be a short-term borrowing. Ray Hart is going to look at all our short-term borrowings and see what we should be bonding now. We have to develop a better picture. It will cause us to discipline ourselves in terms of future borrowings. However, we do not foresee any other large projects. All our borrowings are going to nibble around the edges of this 10%, so to speak. That is what I am projecting for the next five years or so. And every year we are retiring debt. So I think we might peak at 9.5%, but then we will go back down again where we are more comfortable.

Trustee Holdstein: While I respect what this gentleman said about it not being a straight jacket, one of the things that, since I have been on the Board, Neil has prided himself on is that we use that 10% as a guideline. Over most of the time that Neil has served as the Village Manager we have been well clear of bumping that 10%. He has always kept us at 6 and 7 and 8.

Acting Village Manager Maggiotto: But it has gone up to 10.

Trustee Holdstein: But by and large he has tried to keep us from hitting that wall.

Mayor Kinnally: If we put this off for a couple of years we are going to be faced with a double whammy. You are going to have increased construction costs because gasoline, concrete, and steel have crazy, and the cost of borrowing is going to go up. If we put it off we would keep ourselves under the percentage, but it may be adhering to a policy that will adversely affect us. It is a blip right now; maybe we can absorb it in the future because we are going to be paying things down. But I would much rather go into the market and get a better rate now for construction costs and financing than to wait and to be artificially hamstrung by a policy.

The policy has served us very well and I am not advocating jettisoning it. We have got to be vigilant in seeing that we do not go over it. But as Susan said, she does not foresee that there will be any huge numbers coming in. We are committed to the street resurfacing, but that is offset by what we pay down over time. But this is not an extravagance. I do not know if we can get more than two or three years out of that building.

Trustee Holdstein: But I do not think anybody on this Board is advocating not going forward with the project. That is a moot point in terms of where we are with the debt service. Yes, we are always paying down some of the debt. And while I respect Susan saying we do not anticipate large expenditures, and I do not presume that they are going to happen, but we could have an obligation that required us to bond a large amount, for example, the southern bridge to the waterfront, that will put additional debt service in our budget. That is still my concern.

Mayor Kinnally: You have articulated it well. What is the sense of the Board? Do we give the architects direction to go with the second story?

Trustee Holdstein: It is a clear 4-to-1.

Mayor Kinnally: I do not want to be presumptuous. When do you think you can get specs ready?

Mr. Rosamond: We need to do our work, then we need to give it to structural, mechanical, electrical. They need to bring their information back, and we need to integrate it again. So we thought about eight weeks.

Acting Village Manager Maggiotto: This has to come back to the Board for no later than August for approval of the contracts. We need construction to start in September for a number of reasons, including securing our county grant money.

3. Limited Industrial Zone

Trustee Swiderski: A request for an item on the next agenda. I would like to return to the discussion of modifications to the LI zone to restrict big box development. I would like to put it to bed, if we could.

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 personnel and land acquisition.

EXECUTIVE SESSION

On MOTION of Trustee Holdstein, SECONDED by Trustee Swiderski with a voice vote of all in favor, the Board scheduled an Executive Session for Wednesday, May 18, 2005 at 8 p.m. to discuss Village Manager recruitment and have a meeting with the consultant.

ADJOURNMENT

Mayor Kinnally: I would like to have a motion to adjourn in memory of Kenneth Clark. Our condolences go out to his family. Dr. Clark was a giant in this country, and changed the landscape of the way we interact with our fellow man. He was the guiding force behind Brown v. Board of Education.

On MOTION of Trustee Jennings, SECONDED by Trustee Holdstein with a voice vote of all in favor, Mayor Kinnally adjourned the Regular Meeting in memory of Dr. Kenneth Clark at 9:30 p.m..