

TOWN OF LLOYD TOWN BOARD

WORKSHOP MEETING

NOVEMBER 2, 2011

Present: Supervisor Raymond Costantino
Councilmember Kevin Brennie
Councilmember Nancy Hammond
Councilmember Herbert Litts, III
Councilmember Jeffrey Paladino

Also present: Sean Murphy, Attorney
Rosaria Peplow, Town Clerk
Wendy Rosinski, Secretary

Absent: None

5:00 PM – Supervisor opened the meeting and led the Pledge of Allegiance.

1. REPORTS

A. Assessor – Elaine Rivera

B. Building & Zoning Department – David Barton reported that his office is now going through the old files. Shari Riley knows what to throw away and what not to throw away so she is going through the old Planning Board files. The goal is to move the file cabinets outside the Historian's and Bookkeeper's offices upstairs to the plotter room by early February.

There will be a resolution on the November 9 Regular meeting agenda to set a public hearing regarding the four Light Business (LB) changes to the maps that were discussed: New Paltz Road and North Eltings; New Paltz Road and Pancake Hollow; Chapel Hill and Vineyard Avenue and Chapel Hill and Macks Lane/Route 9W, which were approved by the Planning Board.

Other amendments have been discussed to change the Designed Business (DB) north of Lower Grand to the NYS parking area to General Business (GB); Armen Fisher, ZBA, helped clarify the reasoning for the change: BOCES, the former gas station at the corner of Lumen Lane, another former gas station and the radiator repair across Route 9W. The GB would allow the automotive use in that area.

He said that a Highway Overlay was discussed at the Tri-Board meeting, which would have to be proposed and would take a long time to do; these proposed changes have been discussed for almost a year. As it is a zoning change, abutting Towns will be notified as well as interested agencies.

Brennie asked about the status of Highland Square.

Barton answered that he has been contacted on the property and the person who was going to pull the construction mortgage for the property could not put it together so some of the principals have been trying to negotiate a new contractor to do so. They are objecting to the required fees and Barton continues to tell the same numbers apply now as when the discussions began.

C. Highway – Frank Lombardi

D. Police – Chief David Ackert

E. Recreation – Frank Alfonso reported that the water has been turned off at Tony Williams Park and Berean Park; he is going to have a Porta Potty delivered at Tony Williams as there are still events at the park and people are using the Rail Trail. The pay phones have been disconnected at both parks and the next step is to have phones installed at Berean Park and Tony Williams Park.

Supervisor asked if he was going to create an office at Tony Williams Park.

Alfonso confirmed that was his intention to box in an office inside the new garage and use a space heater.

Alfonso said that mowing is still being done by Absolute Lawn Care; however, Ron Stanton has sold the business. The leaf clean up still has to be finished and he has told Absolute that work continues through November. In the spring when the grass is growing there will be a minimal spring cleanup. The contract signed by Ron Stanton runs until April 1.

Supervisor asked if he remembered a catch basin in the Village Field, on the right-hand side and right inside the fence. The water runs into the corner and cascades into Woodside Place into John Canner's property. He feels there was a catch basin that has been covered up in the field and Dave Campala of Water and Sewer will try to find it.

Alfonso said that a catch basin has not been covered up in the last ten years and reminded the Board that the field was bigger by 25 or 30 feet, which is now the larger Municipal parking lot.

Supervisor said that the water has to be kept from going from the field to Woodside Place and he would like to fix it before winter; he asked Alfonso to contact Campala

to see if he has his TV available to investigate the pipe. He feels that water from the new Middle School teachers' parking lot drains across the field.

Alfonso will look through the old files for a map of the field.

F. Town Clerk – Rosalie Peplow

G. Water - Andy Paccione reported that Matt Smith is scheduled to dive and check the Hudson River water inlet on Friday, November 4; this is done once a year and usually earlier but the River has been muddy from the storms.

A natural gas line has been installed for the new boiler which has been ordered. Vito Dispensa, Marada Electric, installed a new power line for the 480; the piping for the three water supplies (River, well and #5 reservoir) has been set up for the pilot study to test water coagulation. The trailer is on the south side of the building and Andy Seidel, Morris Associates, will conduct a 3-week study.

Paccione and Adam Litman have been asked by the Ulster County Health Department to attend a seminar regarding utilities and working with other towns in NYS.

Hammond suggested that he looks into where it will be held, how long, the cost and then get back to the Town Board with the information.

Paccione asked if the Town Board is still interested in having an independent diesel generator at the Water Plant; he did get two prices, \$72,000 and \$103,000, not including installation.

Ray Jurkowski, Morris Associates, said that under the new guidelines by Penn State Standards a backup generator is required for all waste water, water and pumping stations within the collection system of the sewer facility. The water plant was not required to have a generator because of the storage on the hill but that is no longer allowed. If improvements are made to the facility, that is one of the first things that the Health Department would mandate. They looked at the testing protocol and packaged potential improvements associated with the disinfectant byproduct; they talked about reusing waste water generated from the backwash as a water conservation measure. The package included the generator. The blending tank does need to be replaced. An application has been made to Environmental Facilities Corporation for funding; the Town of Lloyd is below the funding line, which means that currently the project is not fundable as there are others with greater needs.

Paladino asked why Paccione was looking at diesel generators rather than natural gas or propane.

Paccione answered that it is better to have an independent system because there could also be an interruption of natural gas.

Supervisor agreed that if the goal is to be truly independent, a fuel source is needed and propane is very expensive.

Jurkowski added that propane has a limiting factor based on the BTU output.

Supervisor would like to wait to see what the test show and determine what needs to be done for improvement and put a package together; there is three to five days of water storage.

Jurkowski cautioned that the generator has to be properly sized and recalled that the bonds on the water projects will be paid off in 2014 and that will offer the ability of going with a larger project while reducing the potential impact to the taxpayers.

Supervisor received a letter from the NYS Department of State asking if the Town still wants the \$9,000 for a generator that was granted in 2003. Board members discussed budgeting another \$20,000 in 2012 to try to use the \$9,000 grant.

Paccione is hoping that the water has been lowered enough in Reservoir #5, the swimming reservoir, to do the work at the Berean Park.

Frank Alfonso, Recreation Director, said that Roehrs Construction has not been at Berean Park since the middle of last week. He met with Jon Bodendorf, Hudson Land Design, Thursday and the project is moving along; the wall by the water is done and looks good (from the water looking back into the park). The one parking lot has been leveled but there is no blacktop and fencing still has to be done. Everything is supposed to be completed within this calendar year. He will let Paccione know about the water level, when Alfonso was there, the water was low enough and he feels that it is fine where it is now.

Paccione mentioned that he called City of Poughkeepsie about someone who uses the sludge and he charges \$20 per ton and the Town has to truck it to him. The sludge has to be tested.

Supervisor commented that Andy Paccione requested three bids for installation of the furnace at the Water Plant; Paccione had intended to do it himself as he is a Master Plumber but it was decided that Paccione pay attention to the testing at the Water Plant, so the installation would be sub-contracted. The bids were: \$5,000, \$5,700

and \$8,000+; research is being done to make sure that they are responsible bidders and see if they have insurance.

H. Sewer - Adam Litman

Ray Jurkowski, Morris Associates, explained that the public hearing is to talk about financing for damages to the Sewer Plant during the Irene and Lee storms; immediately after the storm the contractors had to dredge the stream in order alleviate flooding and debris within the channel as well as the Waste Water Treatment Facility. The Waste Water Treatment Facility received a tremendous amount of damage during the Tropical Storm Irene flooding event. Pumps in the basement need to be replaced and new construction work that was installed, approved and paid for by the Town also received damage. While that took place and FEMA declared that as an emergency, Tropical Storm Lee struck and there were additional damages that were not quite as bad but flooding did occur and for the second time the contractors had to go in and remove debris from the stream channel and restore the stream channel.

The reason that there are two proposed contracts and contract modifications is that each of these events is a separate declaration of disaster with FEMA; therefore, each one has to be dealt with separately. These are two separate disasters so the remediation and accounting has to be kept separately. There is a resolution for Morris Associates that the work is going to be split; one for Irene which was most of the damage and one for Lee.

In addition the Town has flood insurance for the Waste Water Treatment Facility and the Town may be eligible for funding through the insurance company for damages to the sewer plant and the contents of the sewer plant. Morris Associates has met with the insurance adjuster on site and have provided copies of documentation; they are coming up with their facts and figures.

6:00 PM Supervisor opened the public hearing to consider improving the facilities of the Highland Sewer District (the "District") by undertaking the restoration of the portions thereof damaged by Tropical Storms Irene and Lee ("Project Damage"). The Town Board has estimated that the maximum amount to be expended for the Project Damage, is \$2,100,000; such cost to be financed by the issuance of serial bonds or bond anticipation notes of like amount as the same may be reimbursed by the expected receipt of insurance proceeds, funds received pursuant to the FEMA program of the United States and/or other funds received therefore. Any and all amounts so received shall be applied towards the cost of Project Damage or redemption of said bonds and/or bond anticipation notes issued therefore or shall be budgeted as an offset to the taxes for the payment of the principal and interest on said bonds and/or bond anticipation notes.

Jurkowski continued to say that Morris Associates has provided a great deal of information to the insurance company and it takes time to decipher what is eligible and what is not.

Paladino said that he assumed that the Town has to meet a deductible and the insurance will pay 100%

Jurkowski explained that FEMA pays 75% coverage through the Federal government and an additional 15% through the State Emergency Management Office and a local portion of 15%; anything that FEMA is reimbursing the Town, 15% of that needs to be covered by the Town. The third agency is Environmental Facilities Corporation and that is a 0% loan up to \$1-million.

Paladino asked if that would cover the 15% for which the Town is responsible and Jurkowski said that it would.

Jurkowski said that the total amount of damage from the two storms is \$2.1-million, based on the scope of work provided by Morris Associates outlining all of the work that has to be done, including emergency work to remove debris and materials out of the stream and get the site up and running, as well as repair the damage done to the facility. This includes construction costs, soft costs such as oversight and bonding; in this case, since the project is over \$500,000, an audit will be required. The cost of the audit will be \$15,000, which is provided to cover that cost. The figure of \$2.1-million is all inclusive.

The reason for the public hearing is to inform the Town Board and the public. He is requesting to keep the project moving forward because this is a very complicated process due to the size and the number of agencies involved, the contractor who was on site and doing the work, plus the flood insurance. There will be a considerable amount of time before money comes back into the Town. This is a request to move forward with a Bond Anticipation Note in the amount of \$2.1-million to bridge the

11.02.2011

funding so that the construction can continue, construction has already taken place and the contractor will be submitting invoices to the Town based on the emergency work.

He explained that the Town is dealing with three entities; the flood insurance as the adjuster indicated that it is for the structures and the content of the structures, not necessarily site work. There is a debate regarding if they would provide any funding to cover the cost of damage to any equipment. The flood insurance company defines a structure as having permanent walls and roof. The tanks that are normally filled with water were completely filled with debris

Supervisor said that the control room has a roof and walls, the grit chamber has a roof and walls and the other third of the plant is the tanks.

Resident of the area commented that there was 18-feet of mud and rock in those tanks; there was 4.5-feet of the mud and rock all around her house; she wants the public to know the impact of the storms and why the money is needed.

Jurkowski stressed that the staff at the sewer plant did a yeoman's job trying to keep up with it and they have spent weeks trying to remove that debris and haul it off site. When the floods came, there were rocks, trees, stumps, gas tanks coming with the water; a huge amount of gravel material, stones, sands, silts and soil debris filled those tanks, in addition to the adjacent houses. Many of the houses also had a great deal of damage.

He said nothing is cut and dry with any of the agencies, the ultimate fall back is the \$1-million loan from Environmental Facilities Corporation.

Paladino asked the term on that loan.

Supervisor answered that it is 5 years and if the Town has to turn to permanent financing, they will. The goal is to borrow it and pay it back with the receivables from FEMA

Jurkowski said that amount of destruction is devastating.

Gary Pregno asked about the operating condition of the plant.

Jurkowski said that they were out of power and more recently, they gained power back at the facility so they are treating waste; for a period of time, they were not able to treat waste and it was discharged into the Hudson and as required, DEC was immediately notified by the operator. The DEC has been kept up-to-date and there have been numerous site visits to see the problems, they understood the situation and they were happy with the response time and responses.

Pregno asked how FEMA is handling this as there were so many sewer plants damaged.

Jurkowski said each is done on a case-by-case basis. There was so much damage to so many water and waste water plants in New York State that the Environmental Facilities Corporation came out with their HELP program with \$1-million loans, because they recognized that in addition to flood insurance and FEMA assistance, additional aid was needed.

Supervisor said that the Town wanted to secure funds immediately because there was only \$25,000,000 available for the whole state.

Jurkowski said that regarding that, Morris Associates has been in touch with EFC and provided the paperwork and resolutions; EFC have indicated that they are hoping that Lloyd can go to closing on the loan from EFC in late November or early December.

Supervisor explained that the Town has the work done, submits a bill from the contractor, the Town is reimbursed within a week/10 days and then the contractor is paid.

Mark Reynolds, *Southern Ulster Times*, asked if the Town insurance considers this to be one event or two events and the amount of the deductible.

Jurkowski answered that for the insurance company it is one event.

Supervisor added that the deductible is \$1,000 or \$2,500.

Jurkowski said that FEMA is considering it to be two events. EFC considers it one event. EFC did not recognize Lee but said that anything from that general time frame was considered eligible. FEMA and EFC consider these events to be disasters regardless of whether it is flooding, hurricane or wind damage.

Reynolds asked the determination of the Town insurance as private property owners have been told that there is a distinction between a flood and hurricane insurance.

Jurkowski replied that the Town has flood insurance.

Litts asked the status of the construction at the Water Treatment Plant and noted that originally the completion was in November.

Jurkowski said that the contractor's contract actually runs until April; he had initially anticipated that he would be finished in November. Morris Associates did not agree that was achievable and they still feel that it is going to be the April time frame.

They have completed the clean-up of the debris and have lost approximately 2 months; overall completion is 75%.

He said that FEMA sent out an expedition team specifically for the purposes of the infrastructure for water and sewer plants because of their vulnerability and their importance for the life, safety and health of the public. There was a meeting with John Sansalone, the DEC representative and Bill Rohde, engineer, about the T-wall and some other damage. John Sansalone, the DEC representative was contacted by FEMA and FEMA asked to meet them at the site in a half an hour, so FEMA was expedited; many municipalities have not even had a site visit.

Supervisor said some of the emergency work has been done; Jurkowski agreed and said that the contractor is holding the bills and keeping track because it is separate from the original work contract.

Supervisor added that any work that is done up to 72 hours, it can be time and materials, after the initial 72 hours; it has to be a hard contract.

Jurkowski said that days were spent at the sewer plant with the staff going over item by item identifying all of the work that needed to be done as that is the basis that FEMA will use as the scope.

Paladino asked if there were any questions on the scope from FEMA.

Jurkowski said that FEMA has been overwhelmed due to all of the applications; they have accepted the information that was provided and have asked occasionally for another piece of documentation prior to the event. FEMA is waiting to see what takes place with the insurance company because FEMA will not cover whatever the insurance company covers.

Hammond asked if there has been an indication as to when the insurance company will determine what they are going to pay.

Jurkowski replied that Morris Associates has been contacting the adjuster nearly every day through emails and telephone calls asking when they can expect an answer as to what is going to be funded. At the meeting on site with the insurance company they indicated that they would provide some funding to keep the Town going.

Gary Pregno, asked the percentage of the cost between labor and parts.

Jurkowski answered that the breakdown of the construction costs is \$1.7-million for the hard construction cost; \$150,000 for administration oversight; \$40,000 for force account, in addition there is \$25,000 worth of labor for the force account work; \$25,000 for legal costs and other expenses including the financial advisor and audit for \$30,000.

Franco Zani asked if replacement of equipment will be made.

Jurkowski said that if a piece of equipment was damaged and there is a possibility to upgrade it, they are providing for that which is covered in the \$2.1-million.

Supervisor thanked those present for coming to the Public Hearing and noted that the Town sent out 1600 notices to the meeting.

MOTION made by Brennie, seconded by Paladino, to close the Public Hearing on the improvements to the Highland Sewer District at 6:30 PM.

Five ayes carried.

2. OLD BUSINESS

A. Mountainside Woods

David Weinberg said that they have been working with the consultants for the Town to complete the Draft Environmental Impact Statement so that a public hearing may be scheduled; there have been several rounds of comments and they have been responding. There was a meeting 10 days ago at which it is hoped they received the last round of comments and they have put together a complete package.

Copies have been sent to the consultants for their review.

Paladino asked if the Planning Board received a copy.

Weinberg said that they have taken the comments of the Planning Board and incorporated them, along with the comments of the consultants and he believes they have been addressed and have proposed resolutions of the comments. He gave copies of the DEIS on CD ROM to the Town Board and the Town Clerk received a hard copy; Barton has an original hard copy.

Supervisor said that he has been speaking with Terresa Bakner, land use attorney, and Ted Kolankowski, Barton & Loguidice, P.C. who will be at the meeting next week to go over the DEIS and he asked the Board to review it; if it is then deemed complete, a public hearing could be scheduled for December 9.

Paladino asked what the construction timeline is.

Weinberg said that the project has been priced and designed for today's economy and it is dependent upon when the project is approved; optimistically, another year. The project has been broken into four phases, 40 units each phase. Models will be constructed and the units will be sold from models and sold on contract; it will be built conservatively, as to the amount of disturbance of the land and the amount of up-front dollars that need to be spent.

Supervisor feels that phasing is a good thing as the whole property will not be stripped. Weinberg said this is small-bank money which is going to be doled out as improvements go into the project.

3. NEW BUSINESS

A. Transfer Station Brush Collect

Supervisor said that there are residents who are interested in bringing brush as a result of the recent storms to the Transfer Station. He suggested that residents show proof of residency and not be required to have a permit to bring brush to the Transfer Station.

Litts asked if the brush will be chipped or burned.

Supervisor answered that the Town is able to burn the brush; NYSDEC waived the directive not to burn last summer and gave the Town permission to burn.

MOTION made by Brennie, seconded by Litts, to approve residents showing proof of residency to bring brush to the Town of Lloyd Transfer Station at no charge and no permit required for the weekends of November 5 and 6 and November 12 and 13.

Five ayes carried.

B. Amend Morris Contract to conform to M/WBE requirements

Ray Jurkowski, Morris Associates, said that the guidelines for Environmental Facilities Corporation are constantly changing and amendments have to be made to the language of the contract as to the Women Owned Business and Minority Owned Business. This is no cost increase to the contract, just a language change to make sure that the Town is in compliance and there are no issues as to reimbursement for any of the fees. He will make a resolution for the next Town Board meeting.

C. Revolving Loan Fund

Supervisor stated that there have been questions about the status of the Revolving Loan Fund and that in the last four years almost \$300,000 has been loaned out and there is \$50,000 pending with the Phillips family; this leaves a balance of \$250,000 in the fund.

He said that 1 Main Street, \$75,000; Brooks and Brooks, \$150,000; Quality Dry Cleaners and the Gunk Haus; Phillips, \$50,000. The last two loans are interest-only for the first year, one at 3% and the other at 2.75%.

Brennie asked about the loan to the Rock & Roll Bakery.

Supervisor answered that they moved out of town but the bill is being paid. There is a balance of \$8,500 on that loan.

4. MOTIONS AND RESOLUTIONS

A. RESOLUTION made by Brennie, seconded by Hammond, to close the Town parking lot located next to Sal's Restaurant on Vineyard Avenue on Sunday, November 13, 2011 from 6 am to 6 pm for Sal's Restaurant to hold their Annual Wild Game Dinner.
Roll call: Costantino, aye; Paladino, aye; Hammond, aye; Litts, aye; Brennie, aye.

Five ayes carried.

B. RESOLUTION made by Brennie, seconded by Paladino, to close Vineyard Ave. from Milton Ave. to Main Street on Saturday, December 3, 2011 from 5:45 PM to 9:00 PM for Light Up the Hamlet Block Party and direct Police and Highway Department.

Wendy Rosinski, Events Chairman, said that they are 'hanging Santa's laundry out to dry' at 9 AM, which is an idea that originated in Québec City; there will be an old fashioned block party that night, tree lighting, Santa and fireworks.

Roll call: Costantino, aye; Paladino, aye; Brennie, aye; Litts, aye; Hammond, aye.

Five ayes carried.

C. RESOLUTION made by Brennie, seconded by Litts,

WHEREAS the CSEA contract provides for a Sick Leave Bank in Section 8.3.4 and;

WHEREAS Frank Sozio has requested that 40 hours of his unused sick time be allocated to said sick bank and;

11.02.2011

WHEREAS Alex Cacchio has exhausted his sick time due to a serious health condition, that the 40 hours of sick leave in the sick bank be allocated to Alex Cacchio based on the extenuating circumstances of his situation.

Roll call: Costantino, aye; Paladino, aye; Hammond, aye; Litts, aye; Brennie, aye.

Five ayes carried.

D. RESOLUTION made by Brennie, seconded by Paladino, the Town of Lloyd, in the County of Ulster, New York, held at the Town Hall, 12 Church Street, Highland, New York on the 2nd day of November, 2011.

PRESENT: Hon. Raymond Costantino, Supervisor; Nancy E. Hammond, Councilperson; Herbert Litts, III, Councilperson; Kevin Brennie, Councilperson; Jeffrey Paladino, Councilperson

In the Matter of the

Increase and Improvement of Facilities of Highland Sewer District, in the Town of Lloyd, in the County of Ulster, New York, pursuant to Section 202-b of the Town Law

RESOLUTION AND ORDER AFTER PUBLIC HEARING

WHEREAS, on April 12, 2006, the Town Board of the Town of the Town of Lloyd (herein called "Town Board" and "Town", respectively), in the County of Ulster, New York, acting on behalf of the Highland Sewer District (herein called "District"), in the Town, held a public hearing and thereafter adopted (i) the Resolution and Order After Public Hearing authorizing the increase and improvement of facilities of the District, consisting of improvements to the waste water treatment and collection system, including, but not limited to, expanding the capacity of the existing waste water treatment plant by approximately 0.5 million gallons per day in order to provide adequate capacity for at least twenty (20) years as well as allowance for potential growth and expansion of the District, upgrading the waste water collection system, prevention of flooding caused by roof drains and sump pumps, elimination of inflow and/or infiltration flows and providing any and all necessary furnishings, equipment, machinery, apparatus, installations, appurtenances, accessories and related engineering and other costs (the "Project") at the estimated total cost of \$7,000,000; and (ii) the Bond Resolution, authorizing the issuance of serial bonds of the Town in an amount not to exceed \$7,000,000 to finance said estimated total cost of the Project; and

WHEREAS, at the time that the Project was so authorized, the Town had expected that it would qualify for funding as part of the Clean Water State Revolving Loan Fund Program ("CWSRLFP") of the New York State Environmental Facilities Corporation ("NYS EFC"); and

WHEREAS, the Town subsequently learned that the NYS EFC was unable to fund the Project as part of its CWSRLFP unless additional funding became available to the NYS EFC and as a result the Town Board determined that it was not in the best interest of the Town and the District to proceed with the Project; and

WHEREAS, thereafter the Town Board was informed by NYS EFC that additional funding through its CWSRLFP was available to fund the Project and the Town Board determined that it was in the best interest of the Town and the District to reauthorize the Project and the issuance of serial bonds to finance the cost thereof; and

WHEREAS, the Town has retained the firm of Morris Associates, P.S. L.L.C., Engineering Consultants duly licensed by the State of New York (herein called "Engineer"), which prepared the original preliminary map, plan and report for the Project, dated May 2005 and the Engineer also prepared an addendum to such map, plan and report, dated July 2009, (the original preliminary map, plan and report and the addendum being collectively referred to herein as the "Report"), stating, inter alia, that due to an increase in construction costs, including those related to labor and materials, the estimated total cost of the Project had increased to \$7,475,000; and

WHEREAS, the Town Board thereupon determined that the proceeds of the bond anticipation note then outstanding in the amount of \$1,000,000, previously issued pursuant to the bond resolution adopted on April 12, 2006 would be expended to pay a part of the said increased Project cost and, in furtherance thereof, the Town Board authorized the issuance of not to exceed \$6,475,000 serial bonds to pay the balance of said \$7,475,000 cost; and

WHEREAS, on February 9, 2011, the Town Board determined that: (i) due to an increase in the cost of labor and materials, the maximum amount proposed to be expended for the Project was \$8,285,000 and (ii) it is in the best interests of the

11.02.2011

Town to further increase the estimated total cost of the Project by said amount and to authorize serial bonds in the same amount to finance such increased cost; and

WHEREAS, the Engineer prepared and filed with the Town Board a second addendum to the Report, dated February 2011, including the increased cost of the Project; and

WHEREAS, following a public hearing held on March 9, 2011 to consider the increase in the estimated total cost of the Project from \$7,475,000 to \$8,285,000, the Town Board adopted (i) the Resolution and Order After Public Hearing so increasing the estimated maximum cost and (ii) the amending bond resolution which increased the total amount of serial bonds authorized to pay for the Project from \$7,475,000 serial bonds to \$8,285,000; and

WHEREAS, due to the severity and intensity of Tropical Storms Irene and Lee, the Project suffered damage both as to the portions which had been completed to that date and the portions still under or awaiting reconstruction and/or construction (hereinafter called "Project Damage"), and the cost of undertaking the restoration thereof has been estimated by the Engineer to be \$2,100,000, for the partial payment of which the Town expects to receive insurance proceeds pursuant to the existing policy in force designating the Town as the covered party with respect to the subject facilities of the District together with funding from the FEMA program of the United States of America and other sources, all of which shall be applied towards the cost of the Project Damage or redemption of said bonds and/or bond anticipation notes issued therefore or shall be budgeted as an offset to the taxes for the payment of the principal and interest on said bonds and/or bond anticipation notes; and

WHEREAS, the Town Board and the Town have complied or will comply timely in every respect with all applicable federal, state and local laws and regulations, including environmental matters; and

WHEREAS, on October 12, 2011, the Town Board adopted an Order describing in general terms the proposed improvements of the facilities of the District, specifying the estimated cost thereof, and stating the Town Board would meet to hear all persons interested in said improvement of the facilities of the District on November 2, 2011 at 6:00 o'clock P.M. (Prevailing Time) at the Town Hall, 12 Church Street, Highland, New York; and

WHEREAS, a Notice of such public hearing was duly published, posted and mailed pursuant to the provisions of Article 12 of the Town Law; and

WHEREAS, such public hearing was held by the Town Board on the 2nd day of November, 2011 at 6:00 o'clock P.M. (Prevailing Time) at the Town Hall, 12 Church Street, Highland, New York, with considerable discussion on the matter having been had and all persons desiring to be heard having been heard, including those in favor of and those in opposition to said improvement to the facilities of the District; and

WHEREAS, pursuant to the New York State Environmental Quality Review Act, constituting Article 8 of the Environmental Conservation Law ("SEQRA"); the Town Board, acting as Lead Agency, has given due consideration to the impact that the Project Damage may have upon the environment and, on the basis of such consideration, the Town Board has heretofore determined that the Project Damage will not affect its determination that it is a Type II Action imposing no material adverse environmental impact and no further environmental review is required;

NOW, THEREFORE, on the basis of the information given at such hearing, it is hereby

DETERMINED, that it is in the public interest to improve the facilities of the District as hereinabove described, at the estimated maximum cost of \$2,100,000; and it is hereby

ORDERED, that the facilities of the District shall be so improved and that the Engineer heretofore retained by the Town Board shall prepare plans and specifications and make a careful estimate of the expense for said increase and improvement of such facilities and, with the assistance of the Town Attorney, shall prepare a proposed contract for such increase and improvement of facilities of the District, which plans and specifications, estimate and proposed contract shall be presented to the Town Board as soon as possible; and it is hereby

FURTHER ORDERED, that the expense of said improvement of facilities shall be financed by the issuance of not to exceed \$2,100,000 bonds of the Town, and the costs of said increase and improvement of facilities, including payment of principal of and interest on said bonds, shall be paid by the assessment, levy and collection of assessments upon the several lots and parcels of land within the District which the Town Board shall deem especially benefited by said improvements, in the same

11.02.2011

manner and at the same time as other Town charges, to pay the principal of and interest on said bonds as the same shall become due and payable; and it is hereby **FURTHER ORDERED**, that the Town Clerk record, or cause to be recorded, a certified copy of this Resolution and Order After Public Hearing in the office of the Clerk of Ulster County within ten (10) days after adoption thereof.

DATED: November 2, 2011

TOWN BOARD OF THE TOWN OF LLOYD

Hon. Raymond Costantino, Supervisor

Nancy E. Hammond, Councilperson

Herbert Litts, III, Councilperson

Kevin Brennie, Councilperson

Jeffrey Paladino, Councilperson

(SEAL)

* * * * *

The adoption of the foregoing Order was duly put to a vote on roll call, which resulted as follows:

Supervisor Raymond Costantino	voting	AYE
Councilperson Nancy E. Hammond	voting	AYE
Councilperson Herbert Litts, III	voting	AYE
Councilperson Kevin Brennie	voting	AYE
Councilperson Jeffrey Paladino	voting	AYE

The Order was declared adopted.

* * * * *

On motion of Councilperson Brennie, duly seconded by Councilperson Paladino, the following Resolution was duly declared adopted on the following roll call vote: AYES: FIVE; NOES: NONE

BOND RESOLUTION OF THE TOWN OF LLOYD, NEW YORK, ADOPTED NOVEMBER 2, 2011, APPROPRIATING \$2,100,000 FOR THE IMPROVEMENT OF FACILITIES OF THE HIGHLAND SEWER DISTRICT AND AUTHORIZING THE ISSUANCE OF \$2,100,000 SERIAL BONDS OF SAID TOWN, TO FINANCE SAID APPROPRIATION

Recitals

WHEREAS, on April 12, 2006, the Town Board of the Town of the Town of Lloyd (herein called "Town Board" and "Town", respectively), in the County of Ulster, New York, acting on behalf of the Highland Sewer District (herein called "District"), in the Town, held a public hearing and thereafter adopted (i) the Resolution and Order After Public Hearing authorizing the increase and improvement of facilities of the District, consisting of improvements to the waste water treatment and collection system, including, but not limited to, expanding the capacity of the existing waste water treatment plant by approximately 0.5 million gallons per day in order to provide adequate capacity for at least twenty (20) years as well as allowance for potential growth and expansion of the District, upgrading the waste water collection system, prevention of flooding caused by roof drains and sump pumps, elimination of inflow and/or infiltration flows and providing any and all necessary furnishings, equipment, machinery, apparatus, installations, appurtenances, accessories and related engineering and other costs (the "Project") at the estimated total cost of \$7,000,000; and (ii) the Bond Resolution, authorizing the issuance of serial bonds of the Town in an amount not to exceed \$7,000,000 to finance said estimated total cost of the Project; and

WHEREAS, at the time that the Project was so authorized, the Town had expected that it would qualify for funding as part of the Clean Water State Revolving Loan Fund Program ("CWSRLFP") of the New York State Environmental Facilities Corporation ("NYS EFC"); and

- WHEREAS**, the Town subsequently learned that the NYS EFC was unable to fund the Project as part of its CWSRLFP unless additional funding became available to the NYS EFC and as a result the Town Board determined that it was not in the best interest of the Town and the District to proceed with the Project; and
- WHEREAS**, thereafter the Town Board was informed by NYS EFC that additional funding through its CWSRLFP was available to fund the Project and the Town Board determined that it was in the best interest of the Town and the District to reauthorize the Project and the issuance of serial bonds to finance the cost thereof; and
- WHEREAS**, the Town has retained the firm of Morris Associates, P.S. L.L.C., Engineering Consultants duly licensed by the State of New York (herein called "Engineer"), which prepared the original preliminary map, plan and report for the Project, dated May 2005 and the Engineer also prepared an addendum to such map, plan and report, dated July 2009, (the original preliminary map, plan and report and the addendum being collectively referred to herein as the "Report"), stating, inter alia, that due to an increase in construction costs, including those related to labor and materials, the estimated total cost of the Project had increased to \$7,475,000; and
- WHEREAS**, the Town Board thereupon determined that the proceeds of the bond anticipation note then outstanding in the amount of \$1,000,000, previously issued pursuant to the bond resolution adopted on April 12, 2006 would be expended to pay a part of the said increased Project cost and, in furtherance thereof, the Town Board authorized the issuance of not to exceed \$6,475,000 serial bonds to pay the balance of said \$7,475,000 cost; and
- WHEREAS**, on February 9, 2011, the Town Board determined that: (i) due to an increase in the cost of labor and materials, the maximum amount proposed to be expended for the Project was \$8,285,000 and (ii) it is in the best interests of the Town to further increase the estimated total cost of the Project by said amount and to authorize serial bonds in the same amount to finance such increased cost; and
- WHEREAS**, the Engineer prepared and filed with the Town Board a second addendum to the Report, dated February 2011, including the increased cost of the Project; and
- WHEREAS**, following a public hearing held on March 9, 2011 to consider the increase in the estimated total cost of the Project from \$7,475,000 to \$8,285,000, the Town Board adopted (i) the Resolution and Order After Public Hearing so increasing the estimated maximum cost and (ii) the amending bond resolution which increased the total amount of serial bonds authorized to pay for the Project from \$7,475,000 serial bonds to \$8,285,000; and
- WHEREAS**, due to the severity and intensity of Tropical Storms Irene and Lee, the Project suffered damage both as to the portions which had been completed to that date and the portions still under or awaiting reconstruction and/or construction (hereinafter called "Project Damage"), and the cost of undertaking the restoration thereof has been estimated by the Engineer to be \$2,100,000, for the partial payment of which the Town expects to receive insurance proceeds pursuant to the existing policy in force designating the Town as the covered party with respect to the subject facilities of the District together with funding from the FEMA program of the United States of America and other sources, all of which shall be applied towards the cost of the Project Damage or redemption of said bonds and/or bond anticipation notes issued therefore or shall be budgeted as an offset to the taxes for the payment of the principal and interest on said bonds and/or bond anticipation notes; and
- WHEREAS**, the Town Board and the Town have complied or will comply timely in every respect with all applicable federal, state and local laws and regulations, including environmental matters; and
- WHEREAS**, on October 12, 2011 the Town Board adopted an Order describing in general terms the proposed improvements of the facilities of the District, specifying the estimated cost thereof, and stating the Town Board would meet to hear all persons interested in said improvement of the facilities of the District on November 2, 2011 at 6:00 o'clock P.M. (Prevailing Time) at the Town Hall, 12 Church Street, Highland, New York; and
- WHEREAS**, a Notice of such public hearing was duly published, posted and mailed pursuant to the provisions of Article 12 of the Town Law; and
- WHEREAS**, such public hearing was held by the Town Board on the 2nd day of November, 2011 at 6:00 o'clock P.M. (Prevailing Time) at the Town Hall, 12 Church Street, Highland, New York, with considerable discussion on the matter having been had and all persons desiring to be heard having been heard, including those in favor of and those in opposition to said improvement to the facilities of the District; and

WHEREAS, on the date hereof the Town Board of the Town adopted an Order determining that it is in the public interest to improve the facilities of the District, and ordered that such facilities be so improved;

WHEREAS, pursuant to the New York State Environmental Quality Review Act, constituting Article 8 of the Environmental Conservation Law (“SEQRA”); the Town Board, acting as Lead Agency, has given due consideration to the impact that the Project Damage may have upon the environment and, on the basis of such consideration, the Town Board has heretofore determined that the Project Damage will not affect its determination that it is a Type II Action imposing no material adverse environmental impact and no further environmental review is required; and

Now, therefore, be it

RESOLVED BY THE TOWN BOARD OF THE TOWN OF LLOYD, IN THE COUNTY OF ULSTER, NEW YORK (by the favorable vote of not less than two-thirds of all members of said Town Board) **AS FOLLOWS:**

Section 1. The Town hereby appropriates the amount of \$2,100,000 for the improvement of facilities of the District, as more particularly described in the recitals hereto, including all necessary furnishings, equipment, machinery, installations, appurtenances, accessories and related engineering and other costs (the “Project”), all in accordance with the map, plan and report prepared by Morris Associates, P.S. L.L.C., a firm of engineers duly licensed by the State of New York, on file in the office of the Town Clerk and hereby approved. The estimated maximum cost of said specific object or purpose, including preliminary costs and costs incidental thereto and the financing thereof, is \$2,100,000. The plan of financing includes the issuance of not to exceed \$2,100,000 serial bonds of the Town to finance the total appropriation and the assessment, levy and collection of assessments upon the several lots and parcels of land within the District which the Town Board shall deem specially benefited by such increase and improvement of facilities in the same manner and at the same time as other Town charges, to pay the principal of and interest on said bonds.

Section 2. Serial bonds of the Town are hereby authorized to be issued in the principal amount of not to exceed \$2,100,000 pursuant to the provisions of the Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of the State of New York (herein called “Law”), to finance said appropriation.

Section 3. The following additional matters are hereby determined and stated:

- (a) The period of probable usefulness of the Project, being the specific object or purpose for which said bonds authorized by this resolution are to be issued, within the limitations of Section 11.00 a. 1 of the Law, is forty (40) years.
- (b) The proceeds of the bonds herein authorized and any bond anticipation notes issued in anticipation of said bonds may be applied to reimburse the Town for expenditures made after the effective date of this resolution for the purpose for which said bonds are authorized. The foregoing statement of intent with respect to reimbursement is made in conformity with Treasury Regulation Section 1.150-2 of the United States Treasury Department.
- (c) The proposed maturity of the serial bonds authorized by this resolution will exceed five (5) years.

Section 4. Each of the bonds authorized by this resolution and any bond anticipation notes issued in anticipation of said bonds shall contain the recital of validity prescribed by Section 52.00 of the Law, and said bonds and any notes issued in anticipation said bonds shall be general obligations of the Town payable as to both principal and interest by a general tax upon all the taxable real property within the Town. The faith and credit of the Town are hereby irrevocably pledged to the punctual payment of the principal of and interest on said bonds and any notes issued in anticipation of the sale of said bonds and provision shall be made annually in the budget of the Town by appropriation for (a) the amortization and redemption of the bonds and any notes issued in anticipation thereof to mature in such year and (b) the payment of interest to be due and payable in such year.

Section 5. Subject to the provisions of this resolution and of the Law, and pursuant to the provisions of Section 21.00 relative to the authorization of the issuance of bonds having substantially level or declining annual debt service, Section 30.00 relative to the authorization of the issuance of bond anticipation notes, and Section 50.00 and Sections 56.00 to 60.00 of the Law, the powers and duties of the Town Board relative to authorizing bond anticipation notes and prescribing their terms, form and contents and as to the sale and issuance of the bonds herein authorized and of any bond anticipation notes issued in anticipation of said bonds, and the renewals of said notes, are hereby delegated to the Supervisor, the chief fiscal officer of the Town.

11.02.2011

- Section 6. The validity of the bonds authorized by this resolution and of any notes issued in anticipation of said bonds may be contested only if:
- (a) such obligations are authorized for an object or purpose for which the Town is not authorized to expend money, or
 - (b) the provisions of law which should be complied with at the date of the publication of such resolution are not substantially complied with, and an action, suit or proceeding contesting such validity is commenced within twenty days after the date of such publication, or
 - (c) such obligations are authorized in violation of the provisions of the constitution.

Section 7. This resolution shall take effect immediately and the Town Clerk is hereby directed to publish this bond resolution, in summary, in substantially the form set forth in **Exhibit "A"** annexed hereto and made a part hereof, in the "*New Paltz Times*" and the "*Poughkeepsie Journal*," each having a general circulation in said Town and having been designated as the official newspaper of the Town for such publication, together with the Town Clerk's statutory notice in the form prescribed by Section 81.00 of the Local Finance Law of the State of New York..

* * *

(NOTICE AND SUMMARY OF BOND RESOLUTION
TO BE PUBLISHED AFTER ADOPTION)

NOTICE

The resolution, a summary of which is published herewith, has been adopted on November 2, 2011. The validity of the obligations authorized by such resolution may be hereafter contested only if such obligations were authorized for an object or purpose for which the Town of Lloyd, in the County of Ulster, New York is not authorized to expend money or if the provisions of law which should have been complied with as of the date of publication of this notice were not substantially complied with, and an action, suit or proceeding contesting such validity is commenced within twenty days after the publication of this notice, or such obligations were authorized in violation of the provisions of the constitution.

BY ORDER OF THE TOWN BOARD OF THE TOWN OF LLOYD

Dated: November 2, 2011

Highland, New York

ROSARIA PEPLow
Town Clerk

BOND RESOLUTION OF THE TOWN OF LLOYD, NEW YORK, ADOPTED NOVEMBER 2, 2011, APPROPRIATING \$2,100,000 FOR THE IMPROVEMENT OF FACILITIES OF THE HIGHLAND SEWER DISTRICT AND AUTHORIZING THE ISSUANCE OF \$2,100,000 SERIAL BONDS OF SAID TOWN, TO FINANCE SAID APPROPRIATION

The object or purpose for which the bonds are authorized is the improvement of facilities of Highland Sewer District by undertaking the restoration of the portions thereof damaged by Tropical Storms Irene and Lee ("Project Damage").

The amount of obligations to be issued is not to exceed \$2,100,000. The Town expects to receive insurance proceeds pursuant to the existing policy in force designating the Town as the covered party with respect to the subject facilities of the District together with funding from the FEMA program of the United States of America and other sources, all of which shall be applied towards the cost of the Project Damage or redemption of said bonds and/or bond anticipation notes issued therefore or shall be budgeted as an offset to the taxes for the payment of the principal and interest on said bonds and/or bond anticipation notes.

The period of probable usefulness is forty (40) years.

A complete copy of the Bond Resolution summarized above shall be available for public inspection during normal business hours at the office of the Town Clerk, Town Hall, 12 Church Street, Highland, New York.

Roll call: Costantino, aye; Paladino, aye; Hammond, aye; Litts, aye; Brennie, aye.

Five ayes carried.

E. RESOLUTION made by Brennie, seconded by Hammond,

WHEREAS The Town Board has estimated that the maximum amount to be expended for the Project Damage for Tropical Storms Irene and Lee, is \$2,100,000 for the Highland Sewer Treatment Plant; and approved such cost to be financed by the issuance of serial bonds or bond anticipation notes of like amount as the same may be reimbursed by the expected receipt of insurance proceeds, funds received pursuant to the FEMA program of the United States and/or other funds received

WHEREAS Any and all amounts so received shall be applied towards the cost of Project Damage or redemption of said bonds and/or bond anticipation notes issued or shall be budgeted as an offset to the taxes for the payment of the principal and interest on said bonds and/or bond anticipation notes.

THEREFORE, the Town Board approves and directs the Bookkeeper to establish a Capital Project Fund for HSTP "Project Damage". The total estimated cost of this project is \$2,100,000.00 with grant monies.

Roll call: Costantino, aye; Hammond, aye; Brennie, aye; Paladino, aye; Litts, aye.

Five ayes carried.

F. RESOLUTION made by Brennie, seconded by Paladino,

WHEREAS, Morris Associates Engineering Consultants PLLC, Ray Jurkowski, P.E., have delineated the project labeled as Highland STP Upgrade, and is authorized to inspect and administer the work of the Contractor as described in the Contract dated June 6, 2006; and

WHEREAS, the Engineer was onsite and overseeing emergency cleanup efforts required when Tropical Storm Lee struck the area causing significant damage to the site and surrounding area; and

WHEREAS, the Town is seeking reimbursement from Insurance, the Federal Emergency Management Agency (FEMA), and the New York State Environmental Facilities Corporation's (NYSEFC's) Hurricane Emergency Loan Program (HELP) which allows an interest free loan up to \$1,000,000 in order to pay for any additional costs incurred for the cleanup; and

WHEREAS, FEMA and the HELP Program require separate contracts specific to the cleanup of Hurricane Irene, designated by FEMA as disaster number FEMA 4031-DR-NY, in order to seek reimbursement; and

WHEREAS, the Engineer has provided a new contract proposal with a lump sum cost of \$20,000 to oversee emergency and permanent repair work, prepare contracts and specifications, and other work as detailed in the Contract's scope of work;

1. **NOW, THEREFORE, BE IT RESOLVED** the Town Board agrees that the Engineer's Contract as submitted is acceptable.
2. The Engineer is entitled to payment of any work already performed to date to protect health and public safety and any work performed in order to help the Town seek reimbursement as described herein;
3. The Town Board authorizes the Supervisor to sign the Contract.

Roll call: Costantino, aye; Litts, aye; Hammond, aye; Brennie, aye; Paladino, aye.

Five ayes carried.

G. RESOLUTION made by Brennie, seconded by Paladino,

WHEREAS, Morris Associates Engineering Consultants PLLC, Ray Jurkowski, P.E., have delineated the project labeled as Highland STP Upgrade, and is authorized to inspect and administer the work of the Contractor as described in the Contract dated June 6, 2006; and

WHEREAS, the Engineer was onsite and overseeing emergency cleanup efforts required when Hurricane Irene struck the area causing significant damage to the site and surrounding area; and

WHEREAS, the Town is seeking reimbursement from Insurance, the Federal Emergency Management Agency (FEMA), and the New York State Environmental Facilities Corporation's (NYSEFC's) Hurricane Emergency Loan Program (HELP) which allows an interest free loan up to \$1,000,000 in order to pay for any additional costs incurred for the cleanup; and

WHEREAS, FEMA and the HELP Program require separate contracts specific to the cleanup of Hurricane Irene, designated by FEMA as disaster number FEMA 4020-DR-NY, in order to seek reimbursement; and

WHEREAS, the Engineer has provided a new contract proposal with a lump sum cost of \$150,000 to oversee emergency and permanent repair work, prepare contracts and specifications, and other work as detailed in the Contract's scope of work;

NOW, THEREFORE, BE IT RESOLVED

1. The Town Board agrees that the Engineer's Contract as submitted is acceptable.
2. The Engineer is entitled to payment of any work already performed to date to protect health and public safety and any work performed in order to help the Town seek reimbursement as described herein;
3. The Town Board authorizes the Supervisor to sign the Contract.

Roll call: Costantino, aye; Paladino, aye; Hammond, aye; Litts, aye; Brennie, aye.

Five ayes carried.

11.02.2011

H. RESOLUTION made by Brennie, seconded by Hammond, to approve an adjustment for account #1012, 1 Oakes Road account, April 1, 2011 bill, of a credit for water of \$15.33 as it meets the criteria (subtracting average gallons used from high usage period and refunding half of the difference) as set forth by the Town Board.

Roll call: Costantino, aye; Paladino, aye; Hammond, aye; Litts, aye; Brennie, aye.

Five ayes carried.

MOTION made by Litts, seconded by Paladino, to adjourn the meeting at 6:35 PM.

Respectfully submitted,

Rosaria Schiavone Peplow
Town Clerk