

TOWN BOARD
MAY 27, 2009

A regular meeting of the Town Board of the Town of Bethlehem was held on the above date at the Town Hall, 445 Delaware Avenue, Delmar, NY. The meeting was called to order by the Supervisor at 6:00 p.m.

PRESENT: John H. Cunningham, Supervisor
Samuel Messina, Councilman
Kyle Kotary, Councilman
Joann V. Dawson, Councilman
Mark Hennessey, Councilman
Kathleen A. Newkirk, Town Clerk
James T. Potter, Esq., Town Attorney

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Supervisor Cunningham welcomed everyone to a regular meeting of the Bethlehem Town Board. He asked Director of Economic Development and Planning, Michael Morelli, to lead the pledge of allegiance. He thanked Mr. Morelli and said this was the last meeting of May.

The first item was public comments on agenda items. He asked if there were any comments. Mr. Robert Jasinski asked about the rain barrel item and noted there was one line on the agenda. Supervisor Cunningham said he will talk in depth about the rain barrels. He noted he even had pictures. Mr. Jasinski said that is very interesting. He asked if there was any form of helping the elderly if they want to implement this and as to how they drain off their roof. He noted he has a drain pipe that comes off and goes in the ground and goes out 10 feet. He asked where he would put the rain barrel. The Supervisor said he will get into the details and explain the whole thing. Mr. Jasinski thanked the Supervisor.

There being no further comments, the Supervisor began the agenda.

The first item on the agenda was a presentation by Comptroller, Suzanne Traylor, of the December 31, 2008 yearend financial results and the March 31, 2009 first quarter financial results. The Supervisor noted these are still the unaudited results with the audit to be completed next week. Comptroller Traylor said that was correct indicating she was going to mention that.

Comptroller Traylor said she wanted to give information about the Town's finances and a preview of what is going to be a presentation at the June 10, 2009 meeting by the auditors. She said Teal, Becker and Chiarmante were here for about a week and a half at the first part of May and went through the books and records. She said that is a typical length of time for auditors. She noted they look at revenues and expenses, assets, liabilities, and equity with a bunch of tests and talk to department heads to come up with an opinion that becomes the sealed approval for the Town's financial report. The report is called the annual update document and it is filed with OFC as of April 30th and audited by independent auditors after it is filed. She said the final report will be available at the first meeting in June. She said she will have other information to share with the Board then.

Comptroller Traylor said most of the Board was interested in where we ended up on December 31, 2008. She said the Town has 4 funds -- General Fund, Highway Fund, Water Fund, and Sewer Fund. She said what is important from a financial perspective is to just understand what they are. She said she liked to think of these as 4 companies because they are all self-balancing and operate independently of each other. She said some are different from others. The water and sewer funds, for example, benefit only a subset of residents according to Mrs. Traylor. She said these are residents who have septic tanks or wells and pay taxes, obviously, do not benefit from these funds but the folks that use the highways and the sidewalks and the Town facilities benefit from the General and Highway Funds. She said the funds are broken into these 4 categories. She said she indicated net assets -- if you do not know this, it is simply the total assets of the Town less the liabilities of the Town equals what is left off and is called net assets or fund

balance.

Comptroller Traylor said in the open discussion of the management session, is an analysis will be seen at the June 10th meeting. She said this is most important because it basically explains where the Town ended up and what is the bottom line. She said the spreadsheet exhibit was isolated by category. She said the biggest fund if the General Fund indicating at the top of the fund we start out budgeting revenue what the expected Town revenues will be. Next they expected to spend a certain amount, according to Mrs. Traylor. She said the way this works is that all the revenues and all the expenses must be equal. She noted \$875,000 shortfall was what was anticipated as a shortfall and indicated they budgeted a shortfall. She said they appropriated the fund balance.

Comptroller Traylor said the good news is we ended up with a shortfall of \$175,344. She said still negative but not as negative as expected and overall ended up with a \$4,468,000 fund balance. She said at the June 10th meeting they will talk a little bit more about fund balance and what that means but at least this gives a sense of what was taken in, what was spent and where we ended up.

Next, Comptroller Traylor looked at the Highway Fund and said same concept at the top of the chart. She noted they anticipated using \$307,000 of fund balance and ended up only using less than that. She said there was a short fall of \$156,000, still negative but less than they expected it to be.

The Comptroller next noted the Water and Sewer Funds showing the revenue minus the expense and use of fund balance of \$974,000. She said they expected to use money from the Water Fund because they knew they were going to come up short which was \$410,000. She said for the Sewer Fund, they expected an appropriation of \$397,000 from the fund balance and ended up with a positive fund balance of \$71,241. She said again these are not audited figures but final numbers as far as the Town is concerned. She said they will be reflected in the report. She said they do not have that seal of approval so they cannot issue these to the public.

Comptroller Traylor said as far as revenues, she broke them into the major categories that the Town relies on. She said the first revenue source that affects all of the residents is the property tax revenue. She said it represents a significant portion of the revenue for the Town. She said the second item the non-property tax items represents the mortgage and the sales tax that the Town relies heavily on. She said you can see in 2008, budgeted was \$11,800,000. She said they also budgeted \$10,610,000 in other revenues other than property tax.

Mrs. Traylor said user fees are the fees that you pay when you turn on your water and use your sewer and use Town facilities -- park fees, all of those types of fees that are assessed. She said miscellaneous is fairly insignificant would be category like gifts to the Town and various miscellaneous items wind up in that category.

The Comptroller said then government aid. She said there was a disaster on December 12, a snow storm, and the Town will be receiving Federal aid for that emergency money which is considered government aid. She said State aid or Federal aid is what falls into that category.

Comptroller Traylor said what the Town is looking at in terms of total revenue for the Town, all the numbers are a consolidation of the 4 funds. She said it is the total for the Town so overall the revenue from 2006 to 2007 increased by about 3 percent and the revenue for the period 2007 to 2008 increased by only ½ percent. She exhibited a graph to help understand the numbers.

The Comptroller said on the expense side there were 5 categories to look at. She mentioned personnel services, fringe benefits, equipment, contractual represents all kinds of things which she considers operating expenses. She said debt service is paid for the debt that is outstanding and miscellaneous is really everything else that does not fit into any other categories. With the exhibited

graph, she discussed the expenses from 2006 to 2007 and 2007 to 2008. She said overall expenditures have been kept rather flat.

Comptroller Traylor said that is the end, noting it is a brief summary of what is to come. She said there will be a lot more in two weeks from now. She asked if there were any questions from the Board. Supervisor Cunningham asked if there were any questions.

Councilman Messina asked with respect to the Fund balances, one of the things they usually get into to a certain degree is given the changes in the Fund balances, where we still stand with respect to the Comptroller's guidelines of 10 to 15 percent. He noted he knows they are generally and just guidance but is the Town still within those guidelines. Comptroller Traylor said that is a good question and it has been discussed with the Supervisor. She said they discussed the idea of talking about the Fund balance implications the 15 to 20 percent if that is a real guideline and they will be doing that at the next meeting when those final numbers are available. She said she holds off on that because they have had some recent news, noting they are trying to keep the Fund balance within those ranges. She said they also keep a Fund balance, noting in a corporation you would call it profit, retained earnings. She said for a municipality, it is considered fund balance. She said they keep it there for a rainy day. She said when they know there are going to be uncertain times and times will be tough. She said they just heard that the shortfall in New York State pension expense will hit the Town in a big way. She noted this is going to happen to every municipality in a significant way and it is a good thing the Town has a Fund balance and the Supervisor will bring that up.

Supervisor Cunningham said he did not have the exact percentages but he knows where the Town stands with Fund balances as of close of 2008, the Town is above the 15 percent on all 4 Fund balances. He said we are very healthy coming out of 2008.

Councilman Dawson said quickly going over some of the charts, most of the accounts all experienced actual expenditures that are less than those budgeted and predicted for the year. She said however in the General account, the actual expenses were about \$1.7 million higher. She asked if there was something particular. Comptroller Traylor said there is a big thing, the one-time lump sum payment for the Police Retirement System was made last year. She said it was bonded, \$1.8 million, which then gets reported as a revenue and is subsequently reported as an expense. She said it is a big number and that was a one-time payment, noting it is not a reflection of ongoing operating expenses. Councilman Dawson said it is not recurring and asked if we had budgeted for it. The Comptroller said it was interesting that it is not reflected in the budget and yet the Town bonded for it. She said it is there. Supervisor Cunningham said it was part of the contract with the Police Union and they did not settle that contract until after the budget was done.

Councilman Dawson said it is good to know that we are aware of it and can explain it. The Comptroller said in the graphs it is actually backed out from the fringe benefits because to leave it will distort the trend from 2006 to 2007 and 2007 to 2008. She said it is not part of that regular recurring expense. Supervisor Cunningham added that in the General Fund as indicated, it was budgeted to have go into the Fund balance by \$875,000 and when they went in by \$175,000 there were 2 major factors that reduced that number -- one was that it was realized that the sales tax revenue much higher than expected because gasoline prices were at \$4.00 a gallon and the Town benefited from that and the other thing is we made an adjustment to the retiree health insurance which allowed the Town to realize a savings of somewhere in the neighborhood of \$250,000 to \$300,000. He said the adjustment does not impact the retiree, the benefit remains the same with the retiree. He said it is just that the Medicare can be accessed as the front end of the insurance policy and it reduced the premium for health insurance for retirees. He said it was a significant savings for the Town.

Councilman Dawson said that will be a recurring, noting that will continue to be done. Supervisor Cunningham said that will be a permanent recurring savings

and it is already reflected in the numbers for 2009.

Councilman Kotary said in terms of the increase in revenue, the Supervisor hit on one issue which is the increase in actual sales tax through the unanticipated increase in gasoline prices. He asked if the Comptroller also said that the \$1.7 million is also in the revenue noting there was a huge jump in the General Fund in revenue. Comptroller Traylor said she believed the bonding was done for \$1.8 million and the expenditure was \$1.67 million and then she said they receive a benefit for prepayment. She said that was prepaid in 2008 which gives a significant savings. The other item not reflected, according to Mrs. Traylor, is the expense side of things represents what is paid in 2007. She said a prepayment is made in December of the year so the December 2007 ended with the expenditure for the pension except they backed out the lease piece.

Councilman Kotary thanked Mrs. Traylor and said he was just curious related to the conversation about the fund balances and being in the range and actually have been much higher than 20 in some and somewhere between 15 and 20 on all 4 funds. He said he looked at the numbers and chopped them up a different way noting he is curious to see if there was any relevance. He said adding up all of the 4 fund balance is about \$9.7 million and his quick figuring is it was a little bit more than 25 percent, maybe about 20 percent of the overall budget and he was wondering if that is a significant number to be looked at in terms of how much in total a municipality has in reserves relative to its regularly occurring rough annual budget. He asked if this means anything and if so, what does it tell. Comptroller Traylor said it absolutely means something because when they go forward and plan for 2010, they will be looking at the reserves as they have in previous years to decide how much of the fund balance they can safely use and leave a cushion. She said that 15 or 20 percent is subject to interpretation. She said they could go down to zero but that would be crazy.

Supervisor Cunningham said the fund balance is also used for cash flow purposes. He said the Town does not realize all revenue at the beginning of the year. He said they need fund balance in order to manage cash flow and suggested Comptroller Traylor not go down to zero. She did point out that there were a couple slides that she has chosen to use in the June 10 presentation. She said they specifically address the fund balance and noted they will talk more in detail in 2 weeks.

Councilman Kotary said in addition to the fund balances various Capital Reserves as well, asking if this was correct. Mrs. Traylor said yes. Mr. Kotary said if they were to look at what is in the total municipal piggy bank, is going to include not only those 4 fund balances but also the various Capital Reserves. Mrs. Traylor said in the notes the 4 funds are listed but that does not include the special reserves. She said that will definitely alter the picture slightly.

Councilman Messina asked even though you can accumulate the fund balance numbers and look at that, it might be 20 percent, there is discrete authority within each of the funds. He said this means that unless it is an allowable expenditure, you cannot interchange those dollars. Comptroller Traylor said that was correct, noting you can look at it as one big pot of money but it really is not. She said you have to look at it by fund. Councilman Messina thanked the Comptroller.

Supervisor Cunningham asked if there were any other questions. He said they will get into the first quarter of 2009. Comptroller Traylor said we are into May and we have closed out the first quarter. She said she wanted to give a sense of where we are this year compared to last year. She said in the past it has not actually made a financial presentation of the interim picture to the Town but simply given spreadsheets and updates. She said they have not gone over where we are, indicating it is important for everyone to understand if we should be concerned. She said right now the revenues for 2009 is less than the 2008 actual revenue. She said the budget has more revenue and there is a negative variance of \$323,000. She said it is actually the sales tax revenue that did not come. She said when the 2009 budget was prepared, they based it on last year's sales tax revenue which was fairly

high. She said they found out early the total was not going to be realistic. She said Albany County told that there would be 7 percent less in sales tax revenue. She said that is exactly where we are.

The Comptroller said they have made corrections as a Town and the Supervisor has mentioned this at numerous meetings. She said there is about a \$750,000-\$800,000 shortfall in the General Fund so they are not spending money. She said they are curtailing spending and micromanaging the expenses to the best of their ability. She said they are hopeful we will be able to weather the storm as are all of the municipalities affected by the sales tax revenue news. Again, she noted this is the first quarter and it is hard to look ahead and say here is where we are going to end up December 31st. She said they really do not know and they read in the paper every day that everyone feels it can only get better, noting that is what she senses but it will not be known until the June 30th figures and then the September 30th.

Comptroller Traylor said, as far as, the other funds, we cannot say we are ahead of the game in the first quarter. She said it is just that when you look at where we thought we would be, you can see that the revenues are ahead of schedule. She said the Highway figure represents all of the revenue for the year because all of the property taxes have been collected. She noted there is some PILOT income that will be coming in but they have spent out of that and they are where they were last year. She said they have a bit of a favorable variance and that has to do with the micromanaging of expenditures and watching every penny.

Comptroller Traylor said the Water Fund has significant gains and actually there is good news. She said the revenues are ahead of last year by about \$220,000. She said the expenses are down and there is care being taken in all 4 funds right now by just not spending money. She said where there is a negative variance of \$283,000, it means we are not spending what we had expected at this point. She said the hope is that this will help the Town toward the end of the year. Comptroller Traylor said she thinks this is a good thing but at this point, she does not feel there is enough information to look forward and project where we will end up.

Supervisor Cunningham thanked Mrs. Traylor and said just a couple additional comments. He said as Comptroller Traylor said and as can be seen from the report, on all 4 funds expenditures are down from 2008. He said any department heads in attendance will tell that he has been driving that point home. He wanted to give all department heads his thank you because he knows they are all working very hard to maintain the expenditures and defer costs knowing that we may not have the revenues to make the budgeted expenditures this year.

Supervisor Cunningham said in addition he wanted to compliment Comptroller Traylor on her hard work this year and Deputy Comptroller Webster who is also working hard to manage costs when he see purchases coming through for the possibility of deferring costs. He said he appreciates everyone's hard work on that. He also thanked Mrs. Traylor for her work on the presentations and noted we are working later from when the former Comptroller Kehoe presented the year end numbers. He said Mrs. Kehoe built the system and had 15 years experience and Mrs. Traylor had to learn it in 5 or 6 months and has done an excellent job. He said he wanted to thank her for all the work in getting this together.

Supervisor Cunningham commented that this year again an economic downturn is expected and he has been paying very close attention to what is going on in the economy and nothing is consistent. He said it is too early to tell where we will be the end of this year but it was projected in January based on the 4th quarter results that we would probably not meet the revenue expectations in the neighborhood of \$700,000 to \$800,000. He said the Town has taken active steps to adjust the budgets accordingly in order to compensate for those. He said a few other things are the deferred purchases; postponed buying some equipment; postponed buying vehicles by trying to stretch vehicles a little bit further; and took a park vehicle and made it into a Building Department vehicle. He said they are doing a lot of innovative ways to try and manage the budget and stretch the dollar as far as they can.

Supervisor Cunningham said they have also looked at delaying some of the projects that were scheduled for this year, again postponing expenses. He said there is a hiring freeze here at Town Hall except for safety personnel where they are weighing each position and in conjunction with that so far since January, they have eliminated 3 positions -- the new Police Officer, George Leveille retired and was not replaced and eliminated a position in the call center. He said they are looking for other opportunities to reduce expenses in that area. He said approval was given a few months ago the plan for people to take time off. He said there are 3 or 4 employees that have agreed to take time off. He said there are 2 other adjustments -- reduced the hours at the pool which will save about \$15,000 and because they automated the pool system last year, they looked at pool usage during certain hours of the day and project that by not opening the pool as early as we had in other years and closing at the end of the year a little bit earlier. He said they will be able to save a lot of money and have very little impact on residents.

Supervisor Cunningham said one of the more obvious cost savings that was able to be taken out of the budget is for fuel at \$4 a gallon and that is not going to be realized so there will be a significant savings in the fuel expenditures for 2009. He said in 2008 they finished the year with a stronger fund balance than projected and that will be very beneficial to the residents of the Town in 2009 because there are some very difficult financial situations that will have to be addressed this year and again next year.

Supervisor Cunningham said as far as long term projections go, economists predictions are erratic and inconsistent so they do not know what is going to happen there. He said they are continuing to pursue outside revenues sources including a lot of grant applications, worked closely with every government leader that they can to try and attract stimulus dollars to the Town. He said again, those dollars are elusive but they are still working toward that. He said they are trying to avoid in all of the work over reliance on residential property tax.

The Supervisor said they are working to promote regionally significant economic development in Town. He noted the VISTA Technology Park which was talked about but has been silent, has come to the Town and looks like they may begin building. He said they are hoping that project gets off the ground this year. He said that would be a great benefit to the Town and also be a regionally significant project because it promises to bring high paying jobs to the area. He said they hope that the foundry or Micro chip factory in Malta is a catalyst to getting this rolling. He said the wet conditions continue to impact the water budget revenues noting the wet weather impacts the revenue stream. He said if there is a dry summer it will help the Town significantly. He said there are significant infrastructure improvements that are being worked on and others that will be discussed which will require significant financial support from the Town as we move forward.

Supervisor asked the Board Members if there were any questions on the first quarter. Councilman Kotary said he wanted to thank the Comptroller and all the department heads and also commend the Supervisor on really tightening our belt. He said if you look at the actual expenditures first quarter 2008 to first quarter 2009, there has been a cut of \$838,000. He said he thinks this is really good. He said with decreases in sales tax revenue and uncertain economic times, probably less State and Federal support through aid. He said it is a good thing we have tightened our belts and he knows we will continue.

Councilman Hennessey asked the Supervisor to talk through the lag between when the sales tax revenues are collected and when they get delivered to the Town. He asked when the sales tax revenues that are exhibited now were collected. Comptroller Traylor said the sales tax revenues were collected at the first part of April actually. Supervisor Cunningham said those are sales tax revenues from January through March 31st and we got them about April 15th. Comptroller Traylor said they are reflected in the revenue because they have been reflected in the past for the first quarter so they are based on the first quarter results.

Councilman Hennessey said he wanted to join his other two colleagues in talking about what a great job everyone has done in reducing some of the expenditures that we have. He said he really appreciates it. He said the thing that is striking to him is that if there was ever a time that it is raining, it is raining now. He said that is why you have reserves and fund balance, to take care of situations like now to bridge the Town over the times so they can get through the tough times and get to the better times that are ahead. He noted he is hopeful that that is going to be the case.

Councilman Messina said he thinks the Supervisor would know this from being here day-to-day, in terms of the reductions and savings that have occurred are there any places in Town where it has gone beyond the squeak of pain and there is a real issue that needs to be dealt with in terms of service or performance. Supervisor Cunningham said the service levels, he believes, are remaining consistent with where we were and that is part of what is being maintained. He said the one thing they will have to consider -- and he knew Highway Superintendent Sagendorph would agree -- is that the costs are not sustainable. He said as an example, moving a car from one place to another, sooner or later that car is going to break down. He said where some of the costs are being deferred, at some point that will catch up with us. He said they are trying to manage that as much as possible. He noted Mr. Sagendorph has been deferring road paving as much as possible but over the long term, that eventually catches up. He said to the degree there has been pain, there has been a little pain noting for example that the kids may not get paid as much because the pool is not going to be open and residents are not going to have pool facilities and things like that. He said overall the Town is still maintaining a pretty good service level for the residents.

Councilman Messina said he sees the deferred cost issue, although it may not be huge dollars, the equipment deferral from one year to the next is a prime example of that. He noted you see some savings one year and then you see a 54 percent in the following year and maybe that is not avoidable but it is one of the things they have to deal with. Supervisor Cunningham noted some of the vehicles become a safety issue for the employees and they really have to address those. He said in general, they have implemented basically what the Highway Department had for a long time -- a vehicle fleet management program and expanded that throughout the Town. He said he thinks it is working pretty well for them.

Supervisor Cunningham asked if there were any other comments on the financials. There were none.

The next item was a request from Nan Lanahan, Administrator of Parks and Recreation Department to approve a resolution designating newly acquired property on Lyons Road as park land belonging to the Henry Hudson Park. Supervisor Cunningham said this item is going back to the Lyons Road park purchase of land next to the Henry Hudson Park. He said this property was purchased through grants from Scenic Hudson and from Capital Funding from Assemblyman Tim Gordon and the closing took place last Friday and the next step is to actually take the land and make it part of a park.

The following resolution was presented for adoption:

RESOLUTION NO. 22

Resolution of the Town Board of the Town of Bethlehem to officially designate property as municipal parkland.

WHEREAS, on or about May 15, 2009, the Town of Bethlehem acquired property from Robert W. Williams located at Lyons Road in the Town of Bethlehem, bearing tax map numbers 122.00-2-22.20 and 122.00-2.15, (hereinafter "the Property"); and

WHEREAS, the acquisition of the Property was made from funds generously donated to the Town of Bethlehem by the Scenic Hudson Land Trust and by an appropriation of the New York Legislature through the efforts of Assemblyman Tim Gordon, for the purposes of acquiring parkland; and

WHEREAS, the Town Board of the Town of Bethlehem wishes to designate the Property as municipal parkland as part of the Town of Bethlehem Henry Hudson Park.

NOW, THEREFORE, be it resolved as follows by the Town Board:

1. The Town hereby designates the Property located on Lyons Road as municipal parkland to be part of the Henry Hudson Park.
2. This Resolution shall take effect immediately.

The motion was made by Mr. Hennessey, seconded by Mr. Kotary and passed by the following vote:

Ayes: Mr. Cunningham, Mr. Messina, Mr. Kotary, Mrs. Dawson, Mr. Hennessey.

Noes: None.

Absent: None.

Dated: May 27, 2009

BETHLEHEM TOWN BOARD

By John H. Cunningham
Supervisor

The next item was a request from the Deputy Commissioner of Public Works, Erik Deyoe, to accept an all purpose easement for the construction of the Kenwood Pump Station.

The motion was made by Mrs. Messina and seconded by Mr. Kotary to accept an all-purpose easement at 25 Union Avenue, Bethlehem Central School District to support the construction of the Kenwood Pump Station as requested by Deputy Commissioner of Public Works, Erik Deyoe. The motion was passed by the following vote:

Ayes: Mr. Cunningham, Mr. Messina, Mr. Kotary, Mrs. Dawson, Mr. Hennessey.

Noes: None.

Absent: None.

The following item was a request from Deputy Commissioner of Public Works, Erik Deyoe, to authorize the Supervisor to sign grant applications from New York State Environmental Facilities Corporation Green Innovation Grant Program for (1) A rain barrel purchase program and (2) Hydroelectric generation improvements at the Fisher Boulevard Pressure Reducing Station.

Supervisor Cunningham said there are 2 grants which are being applied for indicating they are under the newly formed Climate Smart Community Program. He said the first is regarding rain barrels. He said the grant is to purchase rain barrels for residents and had pictures of 2 different types of rain barrels that they are look at. He said the program would allow the purchase of rain barrels and sell them at a reduced cost to the residents. He said the rain barrel would be hooked up to the bottom of a downspout on a gutter system off of a roof. It will collect water, about 55 gallons of water and then they are designed so the water can be used to water gardens or lawns or other things, according to the Supervisor. He said one of the containers that they are looking at is a recycled food grain container and that is the one that is being used in Guilderland right now.

Supervisor Cunningham again mentioned the grant will offset costs to the residents so that we can sell them. They are EPA green infrastructure technology and recognized by the EPA as green technology and they encourage people to use these products. He said they are also a benefit to the stormwater management program because the water will be captured at location and redistributing it right at the location.

Supervisor Cunningham said the other project is a project to promote the building of a hydroelectric generation plant at the Fisher Boulevard Pressure

Reduction Station on New Scotland Road. He said this would capture the power of the water flowing in from the reservoir, cause a generator to create electricity that would be put back into the grid. He said they are trying to work with National Grid to use the value of that electricity to offset the costs for street lights in the Town. He said if the program can be worked through that, basically, we will be able to create the electricity for our street lights from the water flow and at low cost to the residents. He said they are hoping that is a project they can put together.

The following resolutions were presented for adoption:

Resolution No. 23

**RESOLUTION OF THE
TOWN BOARD OF THE TOWN OF BETHLEHEM**

A resolution authorizing the Town Supervisor to sign applications and forms necessary to apply for a Green Innovation Grant Program through the New York State Environmental Facilities Corporation

Whereas, the Town of Bethlehem is a New York State Climate Smart Community and made a pledge to combat climate change on April 29, 2009; and

Whereas, the Town of Bethlehem recognizes the impacts of reducing energy consumption and wants to promote the creation and use of renewable energy sources to fight climate change; and

Whereas, the President of the United States enacted the American Recovery and Reinvestment Act of 2009 on February 17, 2009 to stimulate the United States economy, create over 3.5 million new jobs over the next two years, and revive the renewable energy industry by providing the capital to eventually double domestic renewable energy capacity; and

Whereas, using funding from the American Recovery and Reinvestment Act of 2009, the New York State Environmental Facilities Corporation has developed a Green Innovation Grant Program with as much as \$35 million for Clean Water State Revolving Fund projects and \$3 million for Drinking Water State Revolving Fund projects; and

Whereas, one of the stated categories of this grant program is for “energy efficiency projects that reduce energy consumption, use renewable energy, or produce clean energy at water or wastewater facilities;” and

Whereas, the Town of Bethlehem operates a pressure reducing station in the Town water system at Fisher Boulevard in Slingerlands; and

Whereas, the Town of Bethlehem, with the New York State Energy Research and Development Authority and Malcolm Pirnie, Inc., has been evaluating the potential to generate hydroelectric power in the Town’s water system at the Fisher Boulevard Pressure Reducing Station; and

Whereas, the hydroelectric improvement project at the Fisher Boulevard Pressure Reducing Station appears to meet the objectives of the Green Innovation Grant Program with the potential of generating over 100,000 kWh of clean renewable energy per year; and

Whereas, the Green Innovation Grant Program could support as much as ninety percent (90%) of the capital cost to implement the improvements at the Fisher Boulevard Pressure Reducing Station; and

Now, therefore, be it resolved that, the Town of Bethlehem intends to submit an application to the New York State Environmental Facilities Corporation Green Innovation Grant Program for the hydroelectric improvement project at the Fisher Boulevard Pressure Reducing Station; and

Be it further resolved that, the Town Board authorizes Supervisor John H. Cunningham to sign forms and applications necessary and incidental to the submission of this grant application on behalf of the Town of Bethlehem.

The foregoing resolution was presented for adoption by Mr. Kotary, seconded by Mrs. Dawson and passed by the following vote:

Aye: Mr. Cunningham, Mr. Messina, Mr. Kotary, Mrs. Dawson, Mr. Hennessey.

Noes: None.

Absent: None.

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Resolution No. 24

Resolution of the

Town Board of the Town of Bethlehem

A resolution authorizing the Town Supervisor to sign applications and forms necessary to apply for a Green Innovation Grant Program through the New York State Environmental Facilities Corporation

Whereas, the Town of Bethlehem is a New York State Climate Smart Community and made a pledge to combat climate change on April 29, 2009; and

Whereas, the Town of Bethlehem recognizes the important role that decreasing energy demand and supporting green innovation projects has in promoting these concepts to fight climate change; and

Whereas, the President of the United States enacted the American Recovery and Reinvestment Act of 2009 on February 17, 2009 to stimulate the United States economy, create over 3.5 million new jobs over the next two years, and invest in environmental protection and green innovation projects; and

Whereas, using funding from the American Recovery and Reinvestment Act of 2009, the New York State Environmental Facilities Corporation has developed a Green Innovation Grant Program with as much as \$35 million for Clean Water State Revolving Fund projects and \$3 million for Drinking Water State Revolving Fund projects; and

Whereas, the stated categories of this grant program are for “water efficiency, energy efficiency, Green Wet Weather Infrastructure, and Environmental Innovation projects;” and

Whereas, the Town of Bethlehem is subject to the Municipal Separate Storm Sewer Systems (MS4) SPDES general permit administered by the NYS Department of Environmental Conservation; and

Whereas, the Town of Bethlehem has developed a Stormwater Management Program (SWMP) as required by the MS4 permit and two key components of the SWMP are to conduct education and outreach efforts for residents and provide for the post-construction management of stormwater; and

Whereas, under the National Menu of Stormwater Best Management Practices the US Environmental Protection Agency (EPA) recognizes educational topics, such as water conservation, as an important part of a SWMP and also recognizes rain barrels as an effective “on-lot treatment” techniques for post-construction stormwater management; and

Whereas, the Town of Bethlehem proposes a program to subsidize the cost of residents interested in purchasing rain barrels and associated downspout diverters for installation at their homes; and

Whereas, the proposed rain barrel project appears to meet the objectives of the Green Innovation Grant Program with the potential of annual water bill saving for residents using two rain barrels of \$15 and an annual drinking water treatment cost saving for the Town \$250 per 1,000 rain barrels; and

Whereas, the Green Innovation Grant Program would support as much as ninety percent (90%) of the total cost to implement the rain barrel program; and

Whereas, the Town of Bethlehem would provide in-kind services up to ten percent (10%) of the total cost to implement the rain barrel program; and

Now, therefore, be it resolved that, the Town of Bethlehem intends to submit an application to the New York State Environmental Facilities Corporation Green Innovation Grant Program for a rain barrel program; and

Be it further resolved that, the Town Board authorizes Supervisor John H. Cunningham to sign forms and applications necessary and incidental to the submission of this grant application on behalf of the Town of Bethlehem.

The foregoing resolution was presented for adoption by Mr. Kotary, seconded by Mrs. Dawson. and passed by the following vote:

Ayes: Mr. Cunningham, Mr. Messina, Mr. Kotary, Mrs. Dawson, Mr. Hennessey.

Noes: None.

Absent: None.

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Councilman Dawson said that was a nice description of the projects but mention of the amounts that are being applied for were not spoken. Commissioner of Public Works, Josh Cansler, said he believed the rain barrels is \$90,000 and he did not remember the other grant. Supervisor Cunningham said the other is for \$400,000. Councilman Dawson thanked the Supervisor and Commissioner.

Councilman Kotary asked if the grant was for \$400,000. Supervisor Cunningham said that was correct.

Councilman Messina said he was interested in the rain barrel thing because he has heard about that before and reached out to Guilderland also. He said feedback from Guilderland was that the program lasted 2 years. He said they had a lot of activity the first year then the barrels went down to 40. He said there were no downsides and it worked well. He said it was pretty popular and noted it was cost neutral for the Town. Mr. Messina said he thought it was a really good idea.

Councilman Dawson noted the barrels continue and it is not just a 1 year thing.

Councilman Kotary said he had one question noting he pulled out his utility bill to try and get a sense for how much there would be generated in revenue. He said if the facility is only using 7,000 and this could generate 100,000 in kilowatt hours, in terms of dollars it is \$270 or \$280,000. He said this could be significant revenue to the Town if they can figure out a way to bring it back. He asked if that was correct. Supervisor Cunningham said potentially the way the laws are structured you would not recapture what the sale price is to a resident. He said that is what they are working with National Grid on because if it had to be sold back to the Grid at wholesale prices, the project does not become a cost benefit to the residents. He said because the street lights are not metered, what they are trying to do is work an arrangement where we can say we are going to offset the cost of this with this power and, therefore, eliminate the cost to the residents. He said that would be significantly more than just selling it back wholesale.

Councilman Kotary also wanted to again point out that these are 2 of several initial steps in the Climate Smart Community program that they will be continuing to look at and investigate. He said as when Mr. Oronowitz was here, said there would be grant dollars available for a lot of the programs. He said he thinks those are 2 important points to reemphasize.

The following item was a request from Nan Lanahan, Administrator of Parks and Recreation Department, for approval of appointment of seasonal personnel.

The motion was made by Mr. Messina and seconded by Mr. Hennessey to approve the appointment of seasonal personnel as requested by Nan Lanahan, Administrator, Parks and Recreation Department, as listed on the memorandum dated May 27, 2009 at the titles and rates indicated. The motion was passed by the following vote:

Ayes: Mr. Cunningham, Mr. Messina, Mr. Kotary, Mrs. Dawson, Mr. Hennessey.

Noes: None.

Absent: None.

Supervisor Cunningham asked if there was any new business from the Board. There was none.

The Supervisor made the following announcements:

- ❖ Announce the Wastewater Treatment Plant received the highest DEC rating. He said DEC did a review of our plant and it passed and received the highest rating. He thanked everyone at the plant for their hard work.
- ❖ 20/20 will be meeting Friday, May 29, 2009 7:45 a.m. He said they are down to the 2 last meetings and said they will be looking at the draft recommendations to the Town Board. He said the next meeting will be June 12, 2009 and be the final meeting.
- ❖ June 14, 2009 there will be Quadracentennial Ice Cream Social at the Bethlehem Historical Association.

- ❖ June 17, 2009 in the auditorium at 6 p.m. there will be a public meeting on the rail trail. He said Albany County is working on the development of the rail trail and will lay out the plan and solicit public comment on that.
- ❖ Community Clean-up Day will be on June 20, 2009. If interested in volunteering please contact Debbie Kitchen or sign up on line. That is shine only, if it is raining, stay home.
- ❖ PATHS for Bethlehem Committee meeting will be June 23, 2009 at 6:30 p.m. in room 107.
- ❖ July 4th will be the reading of the Declaration of Independence on the steps of Town Hall and if it is raining, they will be in the auditorium. He said it is also the Family Day at the Town Park. There will be Geurtze barbequed chicken, magicians, live music.

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Supervisor Cunningham asked if there were any comments on non-agenda items. There were none.

The Supervisor asked for a motion to adjourn to Executive Session to discuss a legal settlement.

The motion was made by Mr. Hennessey and seconded by Mr. Kotary to approve adjourning to Executive Session to discuss a legal settlement. The motion was passed by the following vote:

Ayes: Mr. Cunningham, Mr. Messina, Mr. Kotary, Mrs. Dawson, Mr. Hennessey.
 Noes: None.
 Absent: None.

The motion was made by Mrs. Dawson and seconded by Mr. Hennessey to adjourn the regular Town Board meeting at 7:00 p.m. The motion was carried by the following vote:

Ayes: Mr. Cunningham, Mr. Messina, Mr. Kotary, Mrs. Dawson, Mr. Hennessey.
 Noes: None.
 Absent: None.

Town Clerk

EXECUTIVE SESSION

A motion was made by Mrs. Dawson and seconded by Mr. Hennessey to approve the certiorari with Main Square, LLC. The motion was passed by the following vote:

Ayes: Mr. Cunningham, Mr. Messina, Mr. Kotary, Mrs. Dawson, Mr. Hennessey.
 Noes: None.
 Absent: None.