

TOWN BOARD
FEBRUARY 26, 2003

A public hearing 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 7:30 p.m.

PRESENT: Sheila Fuller, Supervisor
George Lenhardt, Councilman
Doris M. Davis, Councilman
Daniel G. Plummer, Councilman
Thomas Marcelle, Councilman
Kathleen A. Newkirk, Town Clerk
Robert J. Alessi, Esq., Town Attorney

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SUPERVISOR FULLER: Good evening and welcome to a meeting of the Bethlehem Town Board. Please join us in the pledge of allegiance.

The first item on tonight's agenda is the public hearing. I will ask the Clerk to read the call of the hearing. This is regarding renewal of the Time Warner Cable Franchise.

TOWN CLERK NEWKIRK:
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Town Board of the Town of Bethlehem, Albany County, New York will hold a public hearing on February 26, 2003 at 7:30 p.m. at the Town Hall, 445 Delaware Avenue, Delmar, NY regarding the Renewal of the Time Warner Cable Franchise Agreement. Copy of the renewal agreement is available in the Town Clerk's office, 445 Delaware Avenue, Delmar, for review.

All parties in interest and citizens will have an opportunity to be heard at the said hearing.

The Town of Bethlehem provides reasonable accommodations for the disabled. Disabled individuals who need assistance in order to participate should contact Nan Lanahan at 439-4131. Advanced notice is requested

BY ORDER OF THE TOWN BOARD
TOWN OF BETHLEHEM
KATHLEEN A. NEWKIRK, CMC,RMC
TOWN CLERK

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State of New York)
County of Albany)

BARBARA MATTHEWS of the Town of Bethlehem, being duly sworn, says that she is the RECEPTIONIST for THE SPOTLIGHT, a weekly newspaper published in the Town of Bethlehem, County of Albany, and that the notice of which the annexed is a true

For an official copy of the minutes, please visit the Town Hall, 445 Delaware Avenue, Delmar, NY or call 439-4955, extension 158.

copy, has been regularly published in said THE SPOTLIGHT ONCE A WEEK FOR 1 WEEK consecutively, commencing on the 12th day of FEBRUARY 2003.

/s/ Barbara Matthews

Sworn to before me this 18th day of February 2003.

/s/ Sharon A. Doldo

Notary Public, Albany County

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STATE OF NEW YORK)

COUNTY OF ALBANY) ss.:

KATHLEEN A. NEWKIRK, being duly sworn, deposes and says that she is the Town Clerk of the Town of Bethlehem, Albany County, New York and that I posted on February 12, 2003, a Notice of Public Hearing, a copy of which is hereto attached, on the sign board of the Town maintained pursuant to subdivision six of Section thirty of the Town Law.

/s/ Kathleen A. Newkirk

Town Clerk

Sworn to before me this

25th day of February 2003

/s/ Julie S. McNeil

Notary Public

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The motion was made by Mr. Plummer and seconded by Mrs. Davis to indent the Notice of Public Hearing, Affidavit of Publication and Affidavit of Posting on the minutes of the meeting. The motion was passed by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.

Noes: None.

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SUPERVISOR FULLER: We have with us Mr. Peter Taubkin who would like to say a couple words.

MR. TAUBKIN: Thank you, Supervisor Fuller and good evening to the Town Board. Appreciate the opportunity on behalf of Time Warner Cable to be here tonight. We are here requesting a renewal of our franchise. I first like to say that we owe a great deal of gratitude to Supervisor and certainly to Judi Kehoe and the Public Service Commission of New York State represented tonight by John Figliosa. This has been a period of negotiations and discussions. It's a process that we've all gone through together and we owe a great deal of gratitude to the time spent and commitment by Judi and by the Town and by the Public Service Commission bringing us to this point tonight.

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I just thought I would... I know the Town has a summary of the provisions of the proposed franchise. I'll leave that for the Town to consult, I just thought I would summarize some recent activity that has taken place since Time Warner Cable has taken over the operation of the Town's cable system back in 1998. And, since that time, we have made the Town's cable system a part of what is one of the most advanced cable operations in the entire country and that system being run by Time Warner Cable's Albany Division.

We've continued to be first to market in every advanced technology that's offered in the cable industry whether that be high-speed internet access, road runner, digital cable, enhanced services to residential and commercial entities, over 240 channels. We actually have options for high-speed internet access being one of the first companies in the industry to provide multiple high-speed internet services. We offer both Road Runner, AOL Broadband, Earthlink and Local.Net, giving customers a choice of high-speed online services. Most recently we've entered into the on-demand platform providing services such as HBO on demand and other subscription video on demand services allowing people to really watch what they want and when they want to watch it. Also, most recently, the launch of the digital video recorder which takes that technology on step further allowing people to record what they want right onto their cable converter and allow for other advanced capabilities such as pausing and rewinding live television. It's really the most cutting edge technology that's out there. And, we offer capabilities to receive high definition television signals as well. Some of you may have experienced that with this past Superbowl.

I think our other most significant additions has been Capital News 9 which has been a multi-million dollar investment in the building of a state-of-the-art local news operation, a 24 hour news operation which really has since its launch last October, redefined local news in this market. In addition to that, as those are very much service based enhancements, we continue to support the communities that we serve, and most recently we put out a 2002 community action report which summarizes our community commitment over this past year. I've brought several copies which I can make available by leaving in the back of the room for anybody who's interested and, again, we certainly are very privileged to have the opportunity to have served the Town in the past and currently and we certainly look forward to serving the Town many years into the future. Thank you.

SUPERVISOR FULLER: Peter, if I can just have you address the senior.... lack of senior discount issue. That seems to be the really hot button in the Town of Bethlehem and has been for a couple of years. And, I know Dan was on the negotiating team, as well as, Judi and really we pushed long and hard to see if we could get that and if you would speak to that so that the community hears it from you as well.

MR. TAUBKIN: Sure, yes and as it has been really probably in every negotiation with every municipality, the issue has come up about special rates for seniors. And, I think the reason that comes up not only on its... you know, on its face for request for lower rates is

because we do have, within our division service area, a certain number of franchises that we have acquired that have basically what is a needs based discount. We have had many discussions on this issue over the course of our negotiations and, I believe, the Town is understanding of the position that we have which is that we offer a low cost basic service tier which for channels 2 through 20 in the Town of Bethlehem is \$11.50 a month. That's \$11.50 for basically 20 channels of video per month and we view that as a level of service that is accessible for anybody whether they be senior or not who may choose to get that level of service. And, I'll stop there.

SUPERVISOR FULLER: Is that the same as the other communities get? I thought you had mentioned a while ago, this was a corporate decision. It was no longer going to be offered and we never had the opportunity to have that senior discount where other communities did.

MR. TAUBKIN: Well, again, we don't have any senior discount in any municipality. We have...

SUPERVISOR FULLER: But, people move from other communities, they immediately call here, want to know why it's not being offered.

MR. TAUBKIN: Well, we don't... we do have what is really a needs based discount in about 7 or 8 communities within our 134 that we have. Where we have acquired a franchise that... or a franchise that existed prior to the creation of a low cost basic service tier, that basically in most cases is a \$3.00 discount off of the basic and standard level of service. Those agreements exist today, we have no visions of extending that type of discount beyond the term of those agreements. And, so we would remain consistent with what our position on that issue is.

SUPERVISOR FULLER: Do you know what the rate for the senior citizen here is in the Town of Bethlehem? What they are actually paying for their cable?

MR. TAUBKIN: For the basic level of service would be \$11.50 if that individual was a basic and standard customer it would be \$40.95 per month. That's basically channels 2 through 81 or so and then beyond that there are options for obviously other levels of service.

SUPERVISOR FULLER: And, in the towns of Colonie and Guilderland – what are you offering there?

MR. TAUBKIN: The basic rate might be different as basic rates differ from municipality to municipality... from system to system the basic plus standard rate would be the same. In those 2 communities, those are 2 of the 8 or so that have a \$3.00 discount off of the basic plus standard level of service. So, a qualifying senior who met the other criteria of receiving that discount which basically is akin to meeting the real property tax exemption criteria would get \$3.00 off that \$40.95.

COUNCILMAN DAVIS: Okay, let me just speak for some seniors. I know that there are seniors and there are more than you might realize that even the \$11.50 they cannot afford for cable period. So, all they have really is the basic and today I find that that is really unfair to them. I mean you can get a senior discount almost everywhere and the fact that you don't offer one does not speak well for your company.

MR. TAUBKIN: Well, I guess in response to that I think a senior discount... you can have a senior discount I suppose for a movie that might bring the movie...

COUNCILMAN DAVIS: You do.

MR. TAUBKIN: It might bring the rate of the movie from \$7 down to \$5.00.

COUNCILMAN DAVIS: But, they don't go because they can't afford it.

MR. TAUBKIN: Okay but I'm just talking in comparative terms. If they were that would be \$5 for let's say an hour and half of video entertainment. Again, we not only get this request from seniors to be quite frankly, we would get the same request and have received the same request from Veteran's groups or other segments of the community that feel they might be entitled to a separate rate. So, we have taken the position that the availability of a low cost basic service tier to anyone who may choose because they may only have the means to pay for that level of service or through any other criteria that they may apply to their decision, that that level of service be available to anyone.

COUNCILMAN DAVIS: I don't think you heard my appeal. I can't agree with you.

MR. TAUBKIN: I respect that.

SUPERVISOR FULLER: Okay. Judi, if...

COUNCILMAN MARCELLE: Could I...

SUPERVISOR FULLER: I was going to have Judi just give a brief overview of the... we'll have Peter stay there. Come ahead, Judi.

MRS. KEHOE: The term of the proposed agreement is a 10 year term. That 10 years would start upon approval by the Board and then ultimately of the PSC. The key area that the Town can regulate... is unfortunately, not pricing on the rates nor the channel lineups. Those are the things that the citizens really care about.

We had to limit the focus of our negotiations with them to the public access funding that they would make available to the Library and to the school and thus Stan and I had also invited representatives from the School District and the Library to participate where they gave us a list of the needs that they had for Capital expenditures and their anticipated needs over the scope of this franchise agreement. We had been seeking \$195,000 on their behalf up from the current \$105,000 under the expiring franchise. We were able to

agree to \$150,000 but that would be paid up front in a lump sum once this agreement is ratified by PSC.

So, we can hopefully take a little bit of advantage of the time value of the money to get some more funding available for the Library and the school. That was the significant focus of it. Again, we were able to ascertain that the technical capabilities of the system were there. That is one of the key areas for municipalities to determine.

The agreement as you can see is quite lengthy. I don't know if you had a chance to read through the entire thing. If you have any questions, I am happy to answer those at this time.

COUNCILMAN LENHARDT: I have one question, Judi. Your letter that you gave us, you used a term regarding the 5 percent franchise fee that states 'those services will once again be subject to the fee' – you were referring to Road Runner service. Can you give me a little background... I gather that at one time we were deriving that fee.

MRS. KEHOE: Yes.

COUNCILMAN LENHARDT: And, something changed.

MRS. KEHOE: Road Runner has really taken off in the Town of Bethlehem even before it was offered I could tell by the volume of phone calls coming into the Town that this was a much in demand service. Originally those were includable under the franchise fee revenue base so for every amount paid, there was a 5 percent fee assessed that would come to the benefit of the Town. The FCC determined that that was not a cable modem service – I don't know if I have the exact language on that – but, basically they ruled that it was ineligible for inclusion in this franchise formula. So, that currently is about \$75,000 a year in franchise fees that would otherwise come to the Town. That decision, I believe, is being appealed. Looking for a nod from PSC... from John Figliosi. If that is overturned, going forward from the date of that reversal, then we would be able to have that included but for now it is not.

COUNCILMAN LENHARDT: Thank you.

SUPERVISOR FULLER: Tom.

COUNCILMAN MARCELLE: I think that was my basic question, was about the Road Runner but that was a recent decision. Do you know what court that was from? Was that at State court or Federal court?

MRS. KEHOE: That was a Federal.

MR. FIGLIOSI: An FCC decision... FCC opinion and order and that is being appealed to Federal District Court.

COUNCILMAN MARCELLE: In Washington?

MR. FIGLIOSI: In Washington.

COUNCILMAN MARCELLE: In our last contract we did receive that fee for Road Runner?

MRS. KEHOE: Not throughout the entire duration of that franchise because Road Runner was a relatively new service we had about a year of Road Runner revenues where we were able to receive that franchise fee before it was discontinued.

COUNCILMAN MARCELLE: Now, assuming or just for the sake of argument, that that decision by the FCC is overturned, I see... it says revenues approximately of \$75,000. That's a percentage or is that a set number? Where is that \$75,000...

MRS. KEHOE: It's a 5 percent of Road Runner revenues.

COUNCILMAN PLUMMER: It's the gross receipts.

MRS. KEHOE: It's gross receipts, yea.

COUNCILMAN MARCELLE: Okay.

MRS. KEHOE: And, negotiations were lengthy again, thank you, to Dan for participating and helping with that.

SUPERVISOR FULLER: Peter, I would like you to leave a copy with us tonight for the record so that we have it.

MR. TAUBKIN: Of...

SUPERVISOR FULLER: Of your report that you...

MR. TAUBKIN: I have multiple copies I can leave.

SUPERVISOR FULLER: Okay. All right, any other questions of Judi?

MRS. KEHOE: Thank you.

COUNCILMAN DAVIS: Thank you, Judi.

SUPERVISOR FULLER: Is there anyone in the audience who would like to speak in favor or in opposition? This is your opportunity to speak, it is for the renewal contract for Time Warner, it's a 10 year agreement. Okay, may I have a motion to close the public hearing?

The motion was made by Mr. Marcelle and seconded by Mr. Plummer to close the public hearing at 7:53 p.m. The motion was passed by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.
Noes: None.
Absent: None.

Town Clerk

Supervisor Fuller convened the regular Town Board meeting following the close of the public hearing. She asked for a motion approving the renewal franchise agreement with Time Warner Cable.

The motion was made by Mr. Plummer and seconded by Mr. Lenhardt to approve the Time Warner Cable Franchise Agreement and authorize the Supervisor to sign said agreement. The motion was passed by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.
Noes: None.
Absent: None.

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Councilman Davis noted for the record she wanted to state that she felt the position on senior discounts needs to be reevaluated in 10 years or whenever this next comes up.

Supervisor Fuller thanked Mr. TAUBKIN and all who helped with this renewal franchise. She said 10 years will go by quickly.

The next item on the agenda was a request from Gregg Sagendorph, Highway Superintendent, for approval to purchase trucks from State contract and to go to bid for one (1) truck-mounted storm sewer cleaner/jetter. Could advertise March 19, 2003 and open bids on March 31, 2003 at 3:00 P.M.

The motion was made by Mr. Plummer and seconded by Mrs. Davis to approve the purchase of the following equipment from State Contract as requested by Gregg Sagendorph, Highway Superintendent:

1 Heavy-duty diesel powered dump truck with plow equipment;
1 Heavy-duty diesel powered 20 yard packer truck; and
2 Three-quarter ton gas powered 4 x 4 pickup trucks.

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The motion was passed by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.

Noes: None.

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The following resolution was offered by Mr. Plummer and seconded by Mrs. Davis:

WHEREAS, the Town desires to advertise for bids for the purchase of one (1) truck-mounted storm-sewer cleaner/jetter, pursuant to law,

NOW, THEREFORE, BE IT RESOLVED, that the Town Clerk advertise for such bids in THE SPOTLIGHT issue on the 19th day of March, 2003 and that bids be received up to 2:00 p.m. on the 31st day of March, 2003 at which time the bids will be publicly opened and read.

The resolution was adopted by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.

Noes: None.

The next item was a request from Highway Superintendent, Gregg Sagendorph, for approval of award of bids for various materials, machinery, and services for the year 2003.

The motion was made by Mrs. Davis and seconded by Mr. Plummer to approve the following award of bids as requested by Highway Superintendent, Gregg Sagendorph:

Gasoline and Diesel Fuel	Main Brothers Oil Co., Inc.
Heating Oil	Main Brothers Oil Co., Inc.
Guide Rail	Chemung Supply Corp.
Topsoil	David Frueh Contracting
In-Place Paving	Hudson River Construction Co., Inc.
Milling of Bituminous Asphalt	Callanan Industries, Inc.
Gravel	Callanan Industries, Inc., R.J. Valente
Washed Crushed Stone	Callanan Industries; Carver Sand and Gravel; and R.J. Valente
Rental of Track Excavator	R.H. Finke & Sons
Rental of Construction Equipment	Anjo Construction, Ltd.; John Cross
Excavating;	D.T. Dare Landscaping; David Frueh Contracting; Peter K. Frueh, Inc.;
J.R. Pietropaoli, Inc.,	Trinity Construction, Inc., Vadney's Underground Plumbing
Utility Repair Crews	Anjo Construction, Ltd.; D.T. Dare Landscaping; David Frueh Contracting;

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Peter K. Frueh, Inc.; Keystone Excavating;
J.R. Pietropaoli, Inc.; Trinity Construction,
Inc.
Leaf Vacuum Machine The ODB Company
Wood and Brush Chipper William M. Biers, Inc.

The motion was passed by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.
Noes: None.

The next item was a request from Highway Superintendent, Gregg Sagendorph, for approval to dispose of vehicles at auction at Northway Auto Exchange, Inc., Clifton Park, NY.

The motion was made by Mr. Lenhardt and seconded by Mr. Marcelle to approve the disposal of vehicles at auction at Northway Auto Exchange, Inc., Clifton Park, NY as requested by Highway Superintendent, Gregg Sagendorph and listed in the Memorandum dated February 18, 2003. The motion was passed by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.
Noes: None.

The next item was a request from Comptroller, Judith Kehoe, for approval of expenditure of General Fund Capital Reserve for technology upgrade at Highway Department. Supervisor Fuller noted this was \$45,000 and it was discussed at budget time.

The following resolution was presented for adoption:

RESOLUTION AND PUBLIC NOTICE

NOTICE IS HEREBY GIVEN that the Town Board of the Town of Bethlehem in the County of Albany, State of New York has on the 26th day of February 2003, duly adopted, subject to a permissive referendum, a resolution as follows:

WHEREAS, the Town Board of the Town of Bethlehem has determined that it is necessary to fund the Fleet Management Software Installation and Training Project, and
WHEREAS, it is estimated that the costs of said work will not exceed \$45,000;
and

WHEREAS, in recognition of these needs, funds for such purpose are in the General Fund Capital Reserve Fund; and,

NOW, THEREFORE, BE IT RESOLVED that it is in the public interest to complete these technology enhancements; and

BE IT FURTHER RESOLVED, that the Town Board authorizes the expenditure

of the reserve moneys to fund this project up to a maximum amount of \$45,000 and,
BE IT FURTHER RESOLVED, that the Town Comptroller is authorized to
expend from the General Fund Capital Reserve Fund the funds necessary up to \$45,000
in said reserve fund; and

This resolution shall be subject to a permissive referendum, as permitted by law.

The motion to adopt the resolution was made by Mr. Lenhardt, was seconded by
Mrs. Davis and duly adopted by the following vote:

AYES: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.

NOES: None.

ABSENT: None.

The following item was an update on the Retirement System by Judith Kehoe,
Comptroller. Supervisor Fuller said that was the bright side of the agenda. She said
everyone has read about it in the newspaper. She said they would give the Comptroller
the opportunity to update the Board.

Comptroller, Judith Kehoe, said it is not a coincidence that she wore black. She
said there has been a lot of media coverage recently just in the past Sunday's Times
Union Business Section. She said this is something that both private and public sectors
defined benefit contribution plans are experiencing. She said when the stock market
plummets as it has, the asset values decline and those contributions need to be made up
from employers. She said we had a heads up on this during budget time last year. She
said originally based on the estimates that were received from then Comptroller, Carl
McCall, the Town was estimated to pay in about \$350,000. She said there was word that
it was actually going to be closer to \$800,000 and a last minute revision was made to the
2003 budget to include these amounts.

Mrs. Kehoe said they just received official word from Comptroller Hevesi where
we are expected to pay at least \$1,140,000 for the combined premium payment for both
the Employees Retirement System and the Police and Firemen's Retirement System. She
said these are premiums that every participant in these plans across New York State, as
well as, all other municipalities are subject to. She said the rates are all as a percentage of
payroll.

Mrs. Kehoe said she wanted to give a heads up to the Board that this was the
situation only because she knew they would have questions given all the media coverage
that has been out there and it is a significant amount of money. She said she needs to find
\$350,000 in order to cover this. She said she would be coming back to the Board at a
subsequent meeting with budget modifications to cover this. She said these contributions
are likely to be at this level for probably the next one to two years depending on how
quickly the stock market rebounds.

Mrs. Kehoe said the General Fund which bears the primary brunt of these increases is in good financial shape. She said they will be having the audit done on 2002 shortly and she will have that report to present to the Board. She said the Town has ended 2002 with a surplus so that does put the Town in a good position to be able to absorb this. She said the Town has a history of controlling the costs, noting a lot of the other governments that are having such difficulties throughout the State, have not been able to reign in their costs quite as well as the Town has over the years. She said if there was a situation of having those prior surpluses and we spent that down and basically exhausted the reserves, the Town would not be in the position we are now where we can absorb that.

Mrs. Kehoe said this was just an awareness message at this point that these are significant numbers and the Board will have to modify the budget. She said we will be able to absorb them and hope to continue to maintain the stable level of tax increases. She said there is no need for panic in terms of the fiscal position of the Town nor the impact to taxpayers. She said significant figures but... with health insurance and a lot of the other benefits with other insurance costs, the nature of the market, it is cyclical. She said it is a bad time now but we are positioned to weather that.

Councilman Plummer said he saw that the Governor yesterday had proposed to the Comptroller that he consider changing the directives. He said he understands it is 11 percent of the payroll and 15 percent for the police. He asked if that was how she arrived at the 1.3. Mrs. Kehoe said those were part of the official rates that they had given to the Town. Councilman Plummer said the papers report that the Governor yesterday proposed a 4 percent increase now, immediately, and then to take the balance and spread it out over a 5 year period. Comptroller Kehoe said the easy payment plan with interest. She said usually the interest rate has been fairly high. Councilman Plummer said his question was did the Comptroller say anything about his proposal? He asked if she knew if anything came out about that. Mrs. Kehoe said she has not received any official word from the State Comptroller's office on that as of this point. She said she knows they were working and looking at other alternatives. She said they were looking about possibly modifying some of their actuarial assumptions. She said the Teachers Retirement System defers their calculation based to like a 2 year lag. She said they were considering that but that just delays the inevitable. She said the State is going to take a wholopping hit with this as well. She said they are trying to find a workable solution on that.

Councilman Lenhardt said at the Association of Towns meeting last week, Comptroller Hevesi addressed the group with the percentages. He said he also offered, he guessed it was standard, a 3 year pay back period. He said, however, he indicated that it would be an 8 percent interest rate on each year. Comptroller Kehoe said it is a better return than he is getting on the stock market now. Councilman Lenhardt said he concurs that he thinks it is better off to pay it all in one shot. Mrs. Kehoe said it is a problem for all municipalities and she knows they are scrambling trying to come up with a workable alternative. She said she did not know if they had hear but there was some legislation out there that they were considering passage on. She said people were thinking originally it was to allow municipalities to obtain financing for these payments due to the size of them

but really what it related to were incentives that might have been adopted at the local level so financing is not really an option, other than if you go through the retirement system. She said unless they lower their rates, it is not a really viable alternative either.

Councilman Plummer asked what the percentage was in the General Fund balance. Mrs. Kehoe said the fund balance percentage after this year's surplus is just over 30 percent. Councilman Plummer further asked if that could be used to cover employees, for example employees that work for the Highway Department and Water Department. Mrs. Kehoe said she could not. Mr. Plummer noted this was limited. Mrs. Kehoe said it was to town-wide only. Mr. Plummer said it would apply the same way then. Mrs. Kehoe said it was. Mr. Plummer asked Mrs. Kehoe if she would consider using that to help pay for this. Mrs. Kehoe said the General Fund share is about \$200,000 of that \$350,000 so the remaining \$150,000 or about \$100,000 impact to the Highway Fund and then about 30 and 30 for Water and Sewer.

Councilman Plummer asked when she was talking earlier if that was what she was referencing or was she referencing that we had a surplus in fiscal year 2002. Mrs. Kehoe said the surplus was for the General Fund and for the Highway Fund. She said with those fund balances they are able to weather this, at least for the next 2 years. She said the Water Fund, as they know, has been struggling for quite some time now and have had another deficit for 2002. She said they had a deficit fund balance last year and their deficit is now larger. She said the rate increases that the Board had approved, the money is coming in at a much higher level now so it is helping but it has a big hole to dig out of. She said those rate increases are going to have to help absorb this and it might mean deferring some non-essential maintenance. She said those are operational decisions that Commissioner Secor will have to look at for both water and sewer but they will take a lesser hit with those increases than the General Fund because of the size of the contributions that the General Fund makes. She said that was her primary concern at this point. Councilman Plummer thanked Comptroller Kehoe.

Supervisor Fuller said good news/bad news because we are good fiscal managers of the money here, we are penalized now because we have to go through what we have done holding the line on spending the money to deal with the stock market crisis and here it is. Comptroller Kehoe said things happen. She said she talks every year at budget time this is just our plan and actual events often differ and differ dramatically. She said this is a pretty vivid example. Supervisor Fuller noted this will not be the last of it as we know. She said at least we have heard it early enough in the year but hopefully between the Comptroller and the Governor they will sit down and try and get a better handle on this. She said this is definitely not fair to the taxpayers of a community when they are faced with having to bear the brunt of this.

Councilman Lenhardt asked along the same lines of that article Councilman Plummer was referring to, there was some discussion about the formula they use to calculate how much money is required in the fund to take care of retirees and future retirees, asking if that was a negotiable type of formula. He said obviously they use the stock market as one of the factors in it. Mrs. Kehoe said the actuaries look at the

participants of a plan. They factor in their expected life, according to Mrs. Kehoe, and calculate how much money they will need in order to fund that liability. That is where the shortfall has come in, she said, because the liability for what they will owe in the future for all of the current retirees is so much greater than the value of the funds on hand to cover that. She said if they changed it, their actuarial assumptions would be affecting the amount of that liability. Councilman Lenhardt said that is different and he understands that. He said in other words, the value of the fund is just reduced because of their investments. Mrs. Kehoe said that was correct. Mr. Lenhardt said it has nothing to do with calculating what the market is going to do. Mrs. Kehoe said that was right and they revalue each year. She said obviously it is a fluid number.

Supervisor Fuller thanked Mrs. Kehoe.

Supervisor Fuller next acknowledged the report from Comptroller, Judith Kehoe, on the Capital Reserve Funds for everyone's information.

The following item was to approve application for issuance of Trailer Camp Permit from Garden Homes Management, Corp. for Breckenridge Village and Shady Grove West trailer parks, Selkirk.

The motion was made by Mr. Lenhardt and seconded by Mr. Plummer to approve the issuance of renewal Trailer Camp Permits for the Breckenridge Village and Shady Grove West trailer parks, Selkirk, as applied for by Garden Homes Management Corporation, Stamford, Connecticut. The motion was passed by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.

Noes: None.

The next item was a request from Nan Lanahan, Administrator, Parks and Recreation Department, for approval of going to bid for one (1) turf sweeper. Could advertise March 5, 2003 and open bids on March 24, 2003 at 3:00 p.m.

The following resolution was offered by Mr. Marcelle and seconded by Mr. Lenhardt:

WHEREAS, the Town desires to advertise for bids for the purchase of one (1) turf sweeper, pursuant to law,

NOW, THEREFORE, BE IT RESOLVED, that the Town Clerk advertise for such bids in THE SPOTLIGHT issue on the 5th day of March, 2003 and that bids be received up to 3:00 p.m. on the 24th day of March, 2003 at which time the bids will be publicly opened and read.

The resolution was adopted by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.
Noes: None.

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

The motion was made by Mr. Plummer and seconded by Mrs. Davis to approve the appointment of Seasonal Personnel as listed in the Memorandum dated February 26, 2003 at the titles and salaries indicated as requested by Nan Lanahan, Administrator, Parks and Recreation Department. The motion was passed by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.
Noes: None.

The next item was a request from Chief of Police, Richard LaChappelle, for acceptance of retirement resignation for Telecommunicator. Supervisor Fuller noted Mrs. Goulet has served the Town since August of 1987.

The motion was made by Mrs. Davis and seconded by Mr. Lenhardt to accept with regret the resignation due to retirement of Telecommunicator Sandra R. Goulet. The motion was passed by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.
Noes: None.

The next item was a request from Richard LaChappelle, Chief of Police, for approval of appointment of Telecommunicator, effective March 1, 2003 at an annual salary of \$31,598.

The motion was made by Mr. Plummer and seconded by Mr. Lenhardt to approve the appointment of Jennifer Colavito, Delmar, NY to the position of Telecommunicator effective March 1, 2003 at an annual salary of \$31,598 as requested by Chief of Police, Richard LaChappelle. The motion was passed by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.
Noes: None.

The following item was a request from Police Lieutenant Robert Berben for approval of award of bid for Chevy Tahoe to the sole bidder DePaula Chevrolet, Albany, NY.

The motion was made by Mrs. Davis and seconded by Mr. Plummer to approve the award of bid for one (1) 2002 Chevy Tahoe to DePaula Chevrolet, Inc., Albany, NY as

requested by Police Lieutenant, Robert Berben. The motion was passed by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.
Noes: None.

The next item was a request from Chief of Police, Richard LaChappelle, for approval of award of bid for one SOKKIA Electronic Total Work Station.

The motion was made by Mr. Marcelle and seconded by Mr. Plummer to approve the award of bid for one (1) Sokkia Electronic Total Work Station to Kara Company, Inc., Countryside, Illinois. The motion was passed by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.
Noes: None.

The following item was a request from Engineering Services Administrator, Michael Cirillo, for approval of acceptance of deeds for the James Subdivision, Wemple Road.

The motion was made by Mr. Marcelle and accepted by Mr. Lenhardt to approve the acceptance of deeds for the James Subdivision, Wemple Road from Mr. and Mrs. Norman W. James, Delmar, NY as requested by Engineering Services Administrator, Michael Cirillo. The motion was passed by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.
Noes: None.

The next item was a request from Town Clerk, Kathleen A. Newkirk, for approval of change in polling location for 2 election districts within the Town of Bethlehem.

The motion was made by Mr. Marcelle and seconded by Mr. Plummer to approve changes of the following election district locations due to the redistricting as requested by Town Clerk, Kathleen A. Newkirk:

DISTRICT	CURRENT LOCATION	NEW LOCATION
13	Elsmere Grade School 247 Delaware Avenue	Selkirk Fire Dept. #2 Glenmont Rd., Glenmont.

For an official copy of the minutes, please visit the Town Hall, 445 Delaware Avenue, Delmar, NY or call 439-4955, extension 158.

Selkirk Fire Dept. #2 Delmar Fire District Annex
Glenmont Rd., Glenmont Feura Bush Rd., Delmar.

The motion was passed by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.

Noes: None.

The following item was to approve Town Board minutes of February 12, 2003.

The motion was made by Mrs. Davis and seconded by Mr. Lenhardt to approve the Town Board minutes of February 12, 2003 as submitted. The motion was passed by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.

Noes: None.

Supervisor Fuller asked if anyone wished to address the Board. There were none.

The motion was made by Mr. Lenhardt and seconded by Mr. Plummer to adjourn the regular Town Board meeting at 8:10 p.m. The motion was carried by the following vote:

Ayes: Mrs. Fuller, Mr. Lenhardt, Mrs. Davis, Mr. Plummer, Mr. Marcelle.

Noes: None.

Absent: None.

Town Clerk