

TOWN BOARD
NOVEMBER 8, 2006

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 5:30 p.m.

PRESENT: Theresa Egan, Supervisor
Daniel Plummer, Councilman
Tim Gordon, Councilman
Samuel Messina, Councilman
Kyle Kotary, Councilman
Kathleen A. Newkirk, Town Clerk
James T. Potter, Esq., Town Attorney

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The Supervisor welcomed everyone to a regular meeting of the Bethlehem Town Board and invited them to join in the pledge of allegiance.

Supervisor Egan acknowledged and congratulated Assemblyman elect Tim Gordon. Councilman Gordon thanked the Supervisor and indicated he was proud to represent the Town of Bethlehem.

The Supervisor asked if there were any public comments on agenda items with the exception of the skateboard board kids and asked that any non-agenda items be held until the end of the meeting.

Mr. Robert Jasinski questioned the sewer on Bender Lane what it consists of and the extension. Supervisor Egan stated Mr. Holmes was at a conference but this was the Bender Lane Sewer Extension easement for two parcels owned by Foxfire Townhomes and the Franz and Lina Von Banks. Mr. Jasinski questioned the length of the easement. The Supervisor said this is to provide service to 190 Bender Lane. Mr. Jasinski said he feels slighted. The Supervisor said he had the option to pay for this.

Mr. Jasinski then questioned what the pests were. Supervisor Egan stated years ago the Town adopted a no pesticide policy and there has been a request by several residents to review it. She said in order to do that you have to establish a pest management committee.

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Bill Kelleher questioned regarding a letter that was left in the Board boxes recommending the Town sue an international industry CRH which bought out Callanan Industries in 1985. Callanan industries operated a dock at Cedar Hill Landing for 15-20 years and abandoned the dock. If you look at the condition of the shoreline the remains of that dock is still there. If there was any intention of improving the shoreline of the Hudson River it should be required that CRH pay for the cost of removing the debris from the dock which was abandoned, Mr. Kelleher feels. There also is a problem that will cost the Town 20 million dollars to maintain the dikes. Town Attorney Potter said he hadn't had an opportunity to review the information and after the meeting he would talk with him regarding this issue.

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One student skateboarder stated Voorheesville is talking about buying the same park and they have no problem with space so the Town really needs to act if we are going to get the park. Supervisor again stated that we are still waiting for a response from Dr. Loomis. He was going to have the School Board Attorney look into it and contact our Town Attorney so they could talk. Town Attorney Potter stated they have spoke and the School Board Attorney has not made any determination as of yet. The students stated they need a spot. They have been kicked out of everywhere.

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The Supervisor asked if there were any other comments on agenda items and there were none. The motion was made by Mr. Messina and seconded by Mr. Kotary to close the Public Comment period. The motion was passed by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.
Noes: None.
Absent: None.

Public hearing began: 5:45 p.m.

SUPERVISOR EGAN: In as much as we have hit the 5:45 hour, we'll go to the public hearing. We have the 2007 Sewer Assessment Rolls hearing this evening. She asked for a motion to waive the reading of the notices.

The reading of the call of the hearing was waived with direction for the Notice of Public Hearing, Affidavit of Publication and Affidavit of Posting to be indented on the minutes of the meeting on motion made by Mr. Gordon and seconded by Mr. Messina and passed by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.
Noes: None.
Absent: None.

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WHEREAS, 2007 Assessment Rolls have been prepared for the Bethlehem Sewer District and it is necessary to hold a public hearing with reference thereto,

NOW, THEREFORE, BE IT RESOLVED, that the Town Board hold a public hearing with reference thereto, at 5:45 p.m. on Wednesday, the 8th day of November 2006, at the Bethlehem Town Hall, and,

BE IT FURTHER RESOLVED, that the Town Clerk be, and she hereby is authorized and directed to publish a notice of such hearing in THE TIMES UNION, a newspaper published in Albany County and having a circulation within the Town of Bethlehem, on the 1st day of November 2006.

All interested persons 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 the Town Clerk's office at 439-4955, Ext. 183. Advanced notice is requested.

The foregoing resolution was presented for adoption by Mr. Kotary, seconded by Mr. Messina and duly adopted by the following votes:

AYES: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.
NOES: None.
ABSENT: None.

BY ORDER OF THE TOWN BOARD
TOWN OF BETHLEHEM
Kathleen A. Newkirk, MMC, RMC
TOWN CLERK

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State of New York)
County of Albany)

T Dollard/D Hess/D LaCoppola of the City of Albany, being duly sworn, says that he/she is Principal Clerk of THE TIMES UNION, a daily newspaper printed in the County of Albany, Town of Colonie, and Published in the County of Albany, Town of Colonie and the City of Albany, aforesaid and that notice of which a printed copy is annexed has been regularly published in the said ALBANY TIMES UNION on the following dates:

10-30-2006

/s/ D. LaCoppola

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Sworn to before me this 30th day of October 2006.

/s/ Lisa A. Towne

Notary Public, Saratoga 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 Oct. 30, 2006, 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

8th day of Nov. 2006.

/s/ Julie S. McNeil

Notary Public

SUPERVISOR EGAN: Therefore, the public hearing on the 2007 Sewer Assessment Rolls is open. Anybody wish to be heard, provide testimony this evening?

MS. JASINSKI: As you know the sewer on Bender Lane has been turned down due to the cost to each individual house... how much it would cost to bring it down Bender Lane. So I am wondering what needs to be done so we don't have to pay that line item on our January bill for the Sewer District. I mean, we're not getting sewers and we have paid it for years hoping that we would get it and it doesn't look likely so I'm wondering why we need to pay it.

SUPERVISOR EGAN: Again Judy, you might want to address this. This has to do with a benefit being derived by being in a district.

COMPTROLLER: It is a relatively nominal charge in the past and in 2007 the total budget if you are in an unsewered portion of the district, we did drop that down to zero. So you would not see it, assuming you were in...you would not see a charge for that so it would only be if you were receiving the sewer service ...plus the front footage piece which is the subject of the Public Hearing tonight. It would be a relatively small amount of revenue...less than \$14,000 in the '06 budget and given the size and given the issue that people had with that Commissioner Holmes and I talked about that and we recommended that that be dropped.

SUPERVISOR EGAN: January 2007.

MS. JASINSKI: Okay, that's great, so I'll save a few bucks.

SUPERVISOR EGAN: Does anybody else wish to provide a testimony in regard to the 2007 Sewer Assessment Roll? Do I have a motion to close the public hearing?

The motion was made by Mr. Plummer and seconded by Mr. Kotary to close the public hearing at 5:49 p.m. The motion was passed by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.

Noes: None.

Absent: None.

Town Clerk

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Supervisor Egan reconvened the regular Town Board meeting and asked if the Board wished to take action on the previous public hearing information. The following resolution was presented for adoption:

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

WHEREAS, assessment rolls for the year 2007 have been prepared by the Town Board for and in connection with the Bethlehem Sewer District, the Special Sewer District No. 1 and the South Albany Sewer District, which said rolls were completed and filed with the Town Clerk of said Town, and

WHEREAS, due notice of the completion of the assessment rolls and of the time and place when and where this Board would meet to hear and consider any objections that might be made to said rolls and for the purpose of reviewing, correcting and amending the same, was duly given by the Town Clerk by publication of due notice in THE TIMES UNION, a newspaper published in the County of Albany and the Town Board met at the time and place specified, and the hearing was duly had upon said assessment rolls,

NOW, THEREFORE, BE IT RESOLVED, that said assessment rolls be and they hereby are approved, affirmed and adopted by the Town Board as filed.

The foregoing resolution was presented for adoption by Mr. Messina, seconded by Mr. Kotary and duly adopted by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.

Noes: None.

Absent: None.

The next item was to approve the Town Board minutes of September 27, and October 11, 2006.

The motion was made by Mr. Kotary and seconded by Mr. Messina to approve the Town Board minutes of September 27, 2006. The motion was passed by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.

Noes: None.

Absent: None.

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The motion was made by Mr. Kotary and seconded by Mr. Gordon to approve the Town Board minutes of October 11, 2006. The motion was passed by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Kotary.

Noes: None.

Absent: None.

Abstain: Mr. Messina

The next item was a request from Town Engineer, Erik Deyoe, for approval of acceptance of deeds for sanitary sewer extension on Bender Lane, Glenmont.

The motion was made by Mr. Plummer and seconded by Mr. Kotary to approve the acceptance of deeds for sanitary sewer extension on Bender Lane, Glenmont as requested by the Town Engineer, Erik Deyoe. The motion was passed by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.

Noes: None.

Absent: None.

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The next item on the agenda was a request from Town Clerk, Kathleen A. Newkirk, to designate an email address for purpose of FOIL requests.

The motion was made by Mr. Plummer and seconded by Mr. Kotary to establish the Town Clerk's e-mail as the official e-mail for the Town for the

purposes of FOIL as requested by the Town Clerk, Kathleen Newkirk. The motion was passed by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.
Noes: None.
Absent: None.

The next item was discussion of CACC (Citizens Advisory Committee on Conservation) task and dissent received at October 25, 2006 Town Board meeting.

Supervisor Egan said it was put back on the agenda as to what the tasks were that the Board wants the CACC to carry out which was in the event the Town was to do an open space plan and how would this be done. The Supervisor stated the document received from CACC was what was expected. Councilman Plummer stated that the concern was the prospect from the Town Board taking certain actions on a regulatory basis that would impact the land. He believes that was the issue. He stated the document submitted was informative and to some it may appear to be threatening. Councilman Plummer stated that he views it as a reference tool. Supervisor Egan said she would suggest as a next step since the Town has the reference document that a public meeting should be held to get public comment on the reference tool. There is a lot of information and a lot of possibilities and this would be an interim step.

Councilman Messina stated he felt the next CACC meeting should be used with the public to build trust to move forward, grow and expand. There is no interest in doing anything that does not have the full support of the willing landowners. Councilman Kotary stated he felt the document that they received was informational as an opportunity to know and learn what is possible. He said this committee is a great opportunity to not only receive information but through which the community can communicate.

The motion was made by Mr. Messina and seconded by Mr. Kotary to task CACC at the December meeting to have a public informational session regarding the documents. The motion was passed by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.
Noes: None.
Absent: None.

Next was a request from Chief of Police, Louis Corsi, for approval to increase Insurance Recovery Line Item and increase Collision Repair Account in the amount of \$7,104.43.

A motion was made Mr. Plummer and seconded by Mr. Kotary to approve the increase in the Insurance Recovery Line Item and increase Collision Repair Account in the amount of \$7,104.43 as requested by Chief of Police, Louis Corsi. The motion was passed by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.
Noes: None.
Absent: None.

Next item on the agenda was a request from Chief of Police to authorize appointment of Detective.

A motion was made by Mr. Plummer and seconded by Mr. Messina to authorize the appointment of Adam Hornick as Detective effective November 12, 2006 as requested by the Chief of Police, Louis Corsi. The motion was passed by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.

Noes: None.
Absent: None.

Next item was to consider the appointment of a Town Pest Management Committee.

Supervisor Egan stated Town Law sets forth the procedure in which the Town has to consider changes to the Pest Management Policy. In a lot of the Town property, since we have stopped treating with pesticides we have seen deterioration in a lot of fields, parklands and various other things. The law states the committee consists of the Town Supervisor, a Town Board Member, and a person from the following departments -- Parks and Recreation, Highway, Public Works, and any resident designated by the Supervisor to represent the environmental interest of the general public and another person designated by the Supervisor capable of providing technical assistance on non-chemical alternatives.

The Supervisor asked the Town Board if they were okay with getting this committee set up and everyone agreed. She then asked for a Town Board Member to volunteer to be on the committee. No one volunteered and the Supervisor noted this will be put back in the agenda for the December meeting.

Next item was a request from Director of Economic Development and Planning, George Leveille, to consider approval of a contract with Saratoga Associates for the LWRP.

A motion was made by Mr. Plummer and seconded by Mr. Kotary to approve the contract with Saratoga Associates for the LWRP as requested by the Director of Economic Development and Planning, George Leveille. The motion was passed by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.
Noes: None.
Absent: None.

The Supervisor spoke regarding the discussions of the Colonial Acres Golf Course, the Town's fiscal constraints and what the Town could do. She stated that the Town found a fairly significant state funding source that would fund a significant portion of the project and that the Open Space Institute -- a not-for-profit group -- is interested in working and partnering with the Town to try and find the balance of the money. However, working with the state government, the timing of year things needs to proceed in a quick fashion. She said the Empire State Development Corporation needs the Town to waive their interest in being lead agent in the environmental SEQR review process. The Board Members received all documentation to go with the request. The Supervisor noted Town Attorney Potter and Assistant Town Attorney Silliman have reviewed the documentation and are in favor.

Supervisor Egan said there was a request to consent to ESDC designation as lead agency in regard to this action. Town Attorney Potter stated this does not limit the Board's discretion in any way in terms of any future funding decisions. All this says is that ESDC will be conducting the environmental review which is abbreviated because the project will be keeping the existing golf course a golf course and there is no environment impacts. She said this is a formality that is required under SEQR.

A motion was made by Mr. Plummer and seconded by Mr. Kotary to approve the response on a notice of proposal of agency designation to waive lead agency status pertaining to the Colonial Acres Golf Course. The motion was passed by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.

Noes: None.
Absent: None.

Next item was a presentation by Comptroller, Judith Kehoe, of the Interim Financial Report. Mrs. Kehoe stated the sales tax was not noticeably impacted by the cap on the gas tax and will probably surpass the budget by about \$250,000, which is a positive note for the General Fund.

Mrs. Kehoe said the mortgage tax will be under budget based on estimated amount received which was to be about \$250,000-\$350,000 and was only about \$100,000 below the 2006 budgeted amount. The Town received Medicare D reimbursement, which is new this year and the most recent quarterly reimbursement was about \$19,500.00. This will vary from quarter to quarter depending on the prescription benefits paid by the health insurance carriers for our Medicare eligible members. The total revenues for the General Funds are going to be on target with the \$16 million dollars that was budgeted and the Town is about \$100,000 over. A large portion of that was the Federal Aid that was received from Police Department Grants. The other funds for Highway, Water and Sewer are on target for meeting the budget amounts.

Next item on the agenda was to consider adoption of the 2007 Town of Bethlehem Budget.

Supervisor Egan stated following a request at the last Board meeting, questions were reviewed and alternatives were discussed and the fiscal summary was presented. The alternatives being questioned were the savings to be realized from the Health insurance change which amounted to about \$89,000 for all funds; and two options were to take the \$89,000 and apply it all to the deficit. Another option was to take the savings and apply half to taxpayers' relief, and half to the deficit. There was a request to take the HAVA money and the health insurance savings and apply all of it to taxpayer relief. Then there was a request for an analysis for a tax rate of 5% and apply that to different alternatives.

The Supervisor said with those scenarios and subsequent to the last Board meeting they made a request for some grant funding to do the connection of sidewalks from the Delmar bypass to the Waldenfields connection to Elsmere Avenue and then to create a final connection from Elsmere Avenue to Wemple Road. The Supervisor said this would take you from Delaware Avenue to Glenmont. About a week ago the Town received notice that the Town had received a grant for that project. This is about a \$300,000 project and the amount of the grant is about \$105,000 and about \$117,000 in-kind contribution. It requires \$138,000 match of Town cash to complete the project, she said. This project was part of the comp plan suggestions and a safety measure according to the Supervisor.

Councilman Plummer asked if the sidewalk was to go from the end of Elsmere to Feura Bush and then on Feura Bush to Wemple. The Supervisor said that was correct. She said the alternatives included a consideration as to how – noting we do not have to accept the grant – but certainly this is a situation of having \$105,000 of Federal funds that are being given to the Town it is important to jump on those opportunities. She said they need to know how this will be funded. The Supervisor suggested \$89,000 be put in the reserve account to offset the \$138,000. She said she thought a quick summary of the Capital Reserve account was also given.

Councilman Plummer asked about the Federal money and when that has to be expended by. Supervisor Egan said she thinks it is a reimbursement grant, which means we have to expend it before it will be given back to the Town. She asked if there was a date on that – asking if it was the end of 2007. Economic Director Leveille said it is pretty flexible as long as you are making progress.

Councilman Plummer said the grant is \$105,000 and there is in-kind services and the Town would need \$138,000 for their contribution. Supervisor Egan said this was correct. Councilman Plummer asked what the \$200,000 transfer that will done at the end of the year was for or was it to build up the fund. Comptroller Kehoe said it would reimburse. Supervisor Egan noted she summarized that the Capital Reserve Fund started out at about \$800,000 and the Town Board committed to the Maple Avenue Phases II & III about \$570,000; the Call Center expenditure; and the Planning Software. She said the concern is the draining of the Reserve Fund because we have the Landfill issue and the Blessing Road connector. There are no funds in the budget for these. Mr. Leveille stated the other important thing about the grant is that in the past years there have been 40 applicants for 4 or 5 grants, noting this year there were 7 or 8 grants. The grant that the Town received is one of the larger grants given, according to Mr. Leveille...He said the Town's grant is the largest and the next is under \$50,000. He said it is a unique year to be that competitive and not have it reduced in any way, shape or form. Councilman Plummer thought this was great and it is a terrific project. He said he thinks the reality of where the Town is and it sounds terrific to try and get a budget approved.

The Supervisor stated if we keep HAVA towards the deficit and take the health insurance savings and get that into the reserve for the sidewalk account, it still keeps the tax rate at the 2.79.

Councilman Kotary said just so he is clear, this would have to be paid for or using – when talking about using savings that the Town has through the Capital Reserve Fund as opposed to directly from the General Town fund balance. Comptroller Kehoe said this would normally be a Capital Project. Councilman Kotary said what was being recommended was a \$200,000 transfer from the General Fund into the Capital Reserve account. He said one of the things that is starting to get confused for him is all of the sort of if then statements. He said he thinks they can look at this separately as well. He said he agrees with Dan and thinks this is a great project and one that should be finished. He said it is one that could be looked at as applying that transfer and would more than cover this. He said perhaps a little more could be transferred. He said that could stand on its own without confusing or relating directly to the other decisions.. She said possibly using some from the Capital Reserve Recreation Fund because that too is drawing down low.

Supervisor Egan said the Board has had a history of kind of diverting. She said the answer is yes, however, she pointed out as Judi said and she thought this goes back to Dan's question, if the \$200,000 change is recognized, not expended, and put it into the reserve account, there will still be a deficit of over \$700,000 for the General Fund. She said with that being said and it keeps getting underscored, she might take Councilman Messina's thunder a little bit because she thought she knew where he was going, she does not want to loose the list of Capital Projects that got cut out in addition to everything else. She said yes, the \$200,000 from the 2006 and put it in the reserve account. She said the trade-off is the deficit is going to look worse than what it might. She said yes, the savings can be taken from the savings and put that in the reserves to help offset the sidewalks and what that does is basically keeps the last proposed budget totally in tact. She said the rate stays the same, the expenditure stays the same and what is there is about \$80,000 going into the reserve account to help offset the \$138,000 to do the sidewalk alone. She said she does not want to loose sight of the fact that there are several other things that might be flashpoints. She said the landfill, Blessing Road connector tend to be the 2 biggest ones because she sees them happening sooner than later.

Councilman Plummer asked what the update on the landfill is at this time. He said in the Capital Reserve account right now there is, his recollection is about \$250,000 set aside for the landfill. Comptroller Kehoe stated that is for the closure and the other costs are the operating costs because of the need to find a new transfer facility. Supervisor Egan said. Councilman Plummer asked about the meeting with DEC. Supervisor Egan said the meeting was held with DEC – and asked if Mr. Sagendorph knew anything else please let her know. She said Erik has meet with B&L, who are consulting engineers on this, to get them to get up to scope.

She said they have received a general scope earlier in the week in regard to what would have to be done to close this. She said they're unofficial comment when they said they have \$250,000 to close this was probably -- it's not going to be enough because there is an extreme amount of hydrological testing that has to be done in addition to the actual closing itself. She said the engineering fees along are such that they will be \$575,000. She said she thinks this will be a 2007 event at this point. She said her concern is trying to keep some sort of... when you look at the history of the reserve account of being several hundred thousand dollars... that is where she would like to keep some kind of buffer in here. She said they do not have the crystal ball right now but know it is coming. She said the \$200,000 that the Comptroller is talking about she wanted to say a lot of the money is being derived or found at this time of year because several months ago after having some preliminary discussions where they thought these budget discussions would be going, they went back and had the departments start to clamp down then. She wanted to say they did a very good job to find ways to tighten up, not use contingencies and they were able to get to a point where the funds were available. She wanted that on the record. She said it is not a fluke by any means but a lot of hard work that went into that.

Councilman Messina said he tried to describe what he thought was a reasonable approach for taking a year when there were a lot of funding pressures and also pressure to reduce taxes or to keep their growth as low as possible. He said to reiterate he felt that philosophically while he supports both of those initiatives and it is hard to sit up there and not do those things -- look at how do we afford the things that our government needs to do; how do to be responsive to a staff that has dug in and been asked to hold the line; and he has looked at years of austerity budgets. He said he knows and he thinks his colleagues on the Board know there really was no fat in this budget. He said his belief was when they started the budget process, they started with the ability to consider potential increases, as well as, reductions. He said he has not seen any increases so what he argued for was to consider increasing the levy from 2.79 to about 4.79, up 2 percent. He said that would give about \$150-\$200,000 that they could look at any number of 17 projects from restoration of a Police Officer, to a landfill closure costs, in addition to the initial ones that were discussed to any number of things such as Department of Public Works and Highway, reconfiguration of space which is an issue. He noted they are dealing with other things in regard to health safety and the courts and Police Department, Parks and Recreation, update of software, master plans so we do well in planning for parks needs or recreational needs in the future. He said the list goes on but what he found even though the list was 17 items, and there is no doubt more, at about 1.6 million that they could generate about short of \$200,000 to help us with some of it. He said he still feels that same way but where he is, because he wants to enter the new fiscal year and the budget year with colleagues that we are together on a budget and together on a planning process is that he can support. He said he will support a budget that is, as he has heard it proposed so far to deal with the sidewalk project that is upcoming and to keep the taxes at 2.79. He indicated what he would ask his colleagues for is that throughout the year if things happen and they do, if there is an opportunity to use our existing funds in a creative way to make additional investments in where the Town needs to go. He said by the way, having looked back on the survey that was done as part of the comprehensive planning process, this Town wants to keep taxes as low as possible. This Town feels equally as strong about financial investments in our future, Councilman Messina said. He said he is saying, if things free up, if there is some moveability there, I'd like to have some support to reinvest in any number of projects that there would be a chance to look at to make our Town better. He said that's kind of where he is and bottom line is, I will support the 2.79 percent levy increase with the commitments that were discussed.

Supervisor Egan thanked Councilman Messina. She asked if anybody else had any comment.

Councilman Gordon said he would reiterate what he has said in some previous meetings. He said property taxpayers are getting hammered by school taxes, County taxes, Town taxes, fire and ambulance, library taxes and he thinks there is an opportunity with the significant General Fund to show that this taxing

entity, the Town of Bethlehem, does not have to add an increase every year by reflex. He said he is not changing his tune on that just because yesterday was Election Day. He said he continues to advocate that they use the HAVA money, the insurance co-pay money for a zero percent tax increase and any difference come from the healthy General Fund balance. He said now tonight they have added an item for the sidewalks which is a very important project of \$138,000. He said if the Board agrees, he would maintain that would come also from the General Fund balance. He said again, it is the people's money. He said he understands the arguments to all these gradual increases are better than a double digit increase and that it certainly is but property taxpayers – money in the reserves is the people's money and telling people that we are going to raise it every year so maybe you won't have a higher one in the future, now is the time to demonstrate that we can have a zero percent tax increase in this Town.

Councilman Kotary said as he has commented throughout the course of these discussions, he thinks they are ultimately deciding options and what they are trying to do is find the best balance possible. He said on the one hand, they have a trend in using reserves to balance the budget. He said they are fortunate to have healthy fund reserves, fund balance and Capital Reserves so that they can invest, as Councilman Messina said, which is absolutely important and clearly coming out of the comp plan process it is one of the things that the community cares most about and that is to continue to invest in our infrastructure, to continue to invest in the high quality resources that we have and to maintain a high level of service. He said we have come to expect and maybe in some cases demand that whether we are talking about snowplowing or leaf pickup or the incredible facilities we have in Town. On the other hand, he said as Councilman Gordon has mentioned, they do have a duty and fiscal obligation to the taxpayers and ultimately we are all taxpayers and, you know, we all want to try to get as much service and to have as many quality resources as we can but also at an affordable price. He said he thinks given this year the fact that we have a reevaluation, that for some, their tax will be impacted differently than for others. He said they just have to be aware of the extremes. He thinks one of the things he has tried to advocate for during this process is making sure that the person who is seeing the greatest increase in the value and, therefore, in the tax burden – for some folks it may be 10-15 percent – if we had a zero percent increase that we consider that at the extreme. He said he also thinks regardless of the actual dollar amount, whether it is \$100, \$200 or \$500 to one person may not be the same as \$100 or \$500 to another person. He said it may make the difference between making ends meet and staying in this community. He thinks it would be a tragedy for them to lose a single person because they have taxed them out-of-town. He said having said all that, his view is where they are at right now is a very good place because of the conversations they've heard. He thinks they have all done their due diligence in airing out various positions from a zero percent or even a tax reduction to making investments now, to reducing how much we are drawing out of the fund balances and he sees this current budget as it stands – and we are tweaking a little bit – is getting that trend back down per the Comptroller's recommendation so we are taking less and less. He said in terms of a tax increase, he thinks they all have an open mind and he thinks if they all are looking at whether they are talking – he thought in one proposal 2.79 – and another zero – and another 2.35 – what they are talking about in dollars is a couple thousand dollars on a 36+ million dollar budget. He said it is also important for people to understand the context to what they are talking about in terms of the revenue and impact of services. He said in other words, a zero to a 5 percent say tax increase, for an example, brings a couple hundred thousand in revenue and, as Councilman Messina alluded to, it's perhaps one or 2 items on the list which is important but he thinks people should also understand that the majority of the revenue comes from outside sources, mortgage tax, sales tax from the County, etc. He said he looks at the decisions being made really as fine tuning a very good balance that has, in his opinion, done a whole lot including rewarding the incredible employees in Town with a 3 percent COLA despite these potential not only current but future fiscal difficulties and yet, they are also talking about—right now – doing things like new sidewalks. He said they have hired more police to protect our streets, approved several project during the year and, he would just like to say to Councilman Messina, that he is with him on as they move forward and if they have more good news, perhaps the County will lift the gas cap which would be a couple

hundred thousand more and as we can do that and as we have needs and certainly priorities and we heard about from several residents 2 weeks ago last meeting – that we may have emerging priorities and emergencies that certainly we are in a position to address those.

Councilman Kotary summed up by saying that he is at this point happy with where they are at because he thinks what they are doing is the Board is delivering for this year, given all the potential decisions on their plate, he thinks they have done a really good job of balancing all of those that he spoke of and he would be willing, certainly, to find a way through Capital Reserves to invest in the sidewalks which is absolutely important. He said he and Councilman Messina have talked a lot about that with the community and also to find a way to balance between maybe even providing a little bit more tax relief, certainly putting more in savings and also – he knows it sounds like having your cake and eating it too – but also taking some of the reserves and additional money that they have found to do things that they have outlined before such as the call system and sidewalks and so forth. So, Councilman Kotary said that is where he is at right now and he thinks he is still willing to discuss the 50/50 split on health savings and again, this is one of the reasons why he wanted to, not necessarily, have all of these attacks and make one decision and therefore trigger 4 or 5 of these other decisions but simply think if we want sidewalks how do we pay for it. He said where does the Board want to put the \$190,000, where do they want to put the health savings – make their decision and he thinks they are pretty close to being there.

Councilman Plummer said they have to get 3 votes on the budget and he thinks he likes the proposal that is on the table. He said he likes the opportunity – the fact that they have the Federal money. He thinks it is important to put those sidewalks there. He thinks that would be a great asset for the community and he knows people have been asking that for years because he has been with the Board for years. He said he thinks it is an excellent opportunity for the Town. So, he thinks that that is a good idea and he thinks that they have to get a budget passed. He said he would support what has been proposed by Supervisor Egan and his math shows that they are about \$48,000 short of hitting that goal and he guesses that would come out of the Capital Reserve or find some other way. Supervisor Egan said they will figure it out.

Councilman Plummer also said that he appreciated what Councilman Gordon was saying and Kyle and Sam and Terri and everyone but in his view, anytime you can keep a budget below a 3 percent, he thinks everyone is working extremely hard to make it very fair to the taxpayers in that it is difficult to do that in today's world with all the pressures everyone has. He said the fact that it is at the 2.7 or 2.79, whichever it is, he thinks shows a lot of good work and where he sits and his view on government, anytime you can do that, you are really doing the taxpayers a good service. He said, therefore, he supports what is being proposed. He said he is prepared to make an amendment or make a motion to make an amendment.

The Supervisor said there has been a lot of discussion about... She said she wanted to try and delineate what she thinks she has at least 3 people saying they are willing to consider and just be clear. She said the biggest items were the HAVA, the health and then the issue on how to apply them. She said she thinks what is being proposed is the HAVA to the deficit, the health insurance savings to the General Fund Capital Reserve Account and this would keep the tax rate at the 2.79 percent. Comptroller Kehoe said this was correct.

The motion was made by Supervisor Egan and seconded by Mr. Messina to adopt the 2007 Town of Bethlehem Budget with the amendment with regard to the sidewalk.

Comptroller Kehoe said for clarification, the health insurance savings within the 2007 budget will be included as a reduction to the planned deficit which means it is repaying within the And she will come to the Board for a separate motion to approve that transfer into the reserves. She said when the budget is

presented and it goes back to the County, it will be a reduction in the planned deficit and the tax levy will be at 2.79 percent increase.

The motion was passed by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Messina, Mr. Kotary.
Noes: Mr. Gordon.
Absent: None.

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Supervisor Egan thanked everyone and commented based on the staff, this was the most arduous, tenacious budget process but she thinks overall it has reached a good balance. .

Supervisor Egan asked if there was any comment on non-agenda items.

Mrs. Capone questioned whether or not she could pick up a copy of the Budget. The Supervisor stated it would be available in the Town Clerk's Office. Mrs. Capone also stated we have only replaced Police Officers and not added any.

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Mr. Jasinski asked if there was any new information on the 85A Vista. Supervisor Egan stated they have not started due to an Army Core Permit and the contractors are waiting to go.

Mr. Jasiniski asked if there was anything new on the Clapper Road Water Plant. The Supervisor stated it is operating at about 3 million gallons a day. They are assessing the dollar value and the cost of pre-treating the water.

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Mrs. Carkner stated that the 2.79 is very low, however, for someone that is retired and does not get a cost of living raise, this is a lot of money per year. There are many retired individuals that do not get cost of living raises, they are living on investments and the increases are forcing people out of Town. She also stated she enjoys walking and is concerned about the infrastructure of sewer and water being replaced rather than sidewalks. These grants are nice, however, before putting in sidewalks she suggested a survey to see if these things are really necessary be done.

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Mr. Kelleher stated that horizontal wells that were put in under the river and would be wiped out along with the infiltration pump station. Back in 1994 and in 2000 with the ridiculous settlement agreement both permitted the Town to spend \$20 million dollars of additional money to keep the water supply operating. He stated that he was hopeful that the money was included in the lawsuit.

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Mr. Waldenmaier asked if there was an update on the Rails for Trails with the CP In Albany. The Supervisor stated she had not heard any more. The last she heard the CP had released all the trails. She said they had had problems with an appraisal and they had hired a third appraiser.

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The Supervisor asked for a motion to adjourn to Executive Session to discuss pending litigation settlements and personnel issues.

The motion was made by Mr. Messina and seconded by Mr. Kotary to meet in Executive Session following the close of the regular Town Board meeting. The motion was passed by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.
Noes: None.
Absent: None.

The motion was made by Mr. Kotary and seconded by Mr. Gordon to adjourn the regular Town Board meeting at 6:50 p.m. The motion was carried by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.

Noes: None.

Absent: None.

Town Clerk

EXECUTIVE SESSION

Motion made by Mr. Plummer and seconded by Mr. Kotary to approve settlements of small claims litigations for Lee versus Town of Bethlehem and Peretta et ano. versus Town of Bethlehem. The motion was passed by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.

Noes: None.

Absent: None.

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The motion was made by Ms. Egan and seconded by Mr. Plummer to approve vacation change for Director of Economic Development and Planning. The motion was passed by the following vote:

Ayes: Ms. Egan, Mr. Plummer, Mr. Gordon, Mr. Messina, Mr. Kotary.

Noes: None.

Absent: None.
