

Town of Kinderhook - 5 Year Contract

Option 1

The Town would provide the following services if the Village were to merge with the Town:

1. Leaf Pickup - in the fall using the Village's Leaf Machine
2. Drainage - clean drains as needed and replace dry wells (Village would pay for materials)
3. Mowing - Mow fields, playground and Village Square 1x per week. If necessary 2x per week due to grass growth.
4. Snow - snow removal on all streets - repeating as needed during a storm. Remove snow timely from the Village Square and all other areas.
5. Street Maintenance - patching, trim trees overhanging roads so the school buses can get by, maintaining all roads in the Village, safety control for paving and checking to see what streets need to be paved. (Materials would be billed to the Village)
6. Sidewalks - maintain and check for what sidewalks need replacing. (Village would pay for materials)

\$234,250.00 per year***

***Sidewalk estimate for snow removal would be reduced from \$15,000.00 as the Village has fewer Village owned sidewalks. Until the Town goes out to bid, cost was not known.

Option 2

Contract for Individual Services

Snow removal on a time and material basis

1. Labor - 2 Town employees for the year @ \$45,000/year each - this would not be pro-rated for the time snow plowing. The Village would pay the entire cost.
2. (2) Health Insurance @ \$23,188/ Family, \$16,868/ 2 Person, \$8,436/ Single - this would not be prorated and Village would pay the entire cost.
3. (2) F550 T-6 Trucks equipped for snow removal @ \$35.69/ hour each. Plus cost of sand and salt and fuel.

Leaf removal using the Village leaf machine

1. Labor - 2 people @ \$34/hour each
2. T-22 Dump Truck @ \$50.08/hour each
3. Village provides Labor on vacuum

Trustee Murphy commented another alternative option would be to contract services out. He also stated there is a Center for government services that will work with both entities to analyze and guide both parties to construct the merger or shared services on how to move forward. He stated at this time it does not make financial sense for the Village of Kinderhook to merge with the Town of Kinderhook with the options the town has proposed to the village at this time.

Mayor Weaver spoke with Carl Ublocker from the NYS Dept of State that has helped the village with previous grants. The shared service grants are single year grants that only 20-25% of municipalities receive. If the village merged with the Town, the next round of Grants is in June 2016. It is very competitive with no guarantee the Village/Town would receive the grant. Carl

also informed Mayor Weaver that any equipment purchased prior to April 1, 2016 would not be eligible for the grant.

The village board feels that it would be very hard to construct a contract between two governments for a service-level agreement. With snowplowing, when will the village roads be plowed? Would it be two hours after a snowfall? They have their roads to plow also. The board felt if there was a significant amount of cost savings to the village; then the village board would consider the proposed options further. The village board is looking for more than a handshake on a contract.

Trustee Phillips noted that the DPW building had full replacement coverage and the board has every intention of replacing the garage with the funds received from the insurance company. The village may have to pay out money to replace the equipment if the village board cannot replace the equipment with the insurance money received. There was not full replacement coverage for the equipment.

Mayor Weaver read a letter the village office received from David and Rosemary Palmquist. The letter was in support of the village retaining its Public Works Department. They believe “a decision of this kind should be based on what is best for the community and its residents, and not solely on the size of an insurance settlement.” Mr. Palmquist feels what he pays in village taxes is very reasonable and per dollar is the best use of their tax money compared to Town or County taxes.

Mayor Weaver opened the meeting to the public.

Andrew Pelliteri stated he does not see a tangible savings and he feels the village will lose control of the village if we were to merge with the town. He stated “what will the village govern if we gave up village DPW”. He encourages the village board to retain the village DPW.

Ken Nielsen requested if anyone had done a cost analysis for each property? Would it be \$0.10 or \$0.20 per thousand per household that people would save? We are still paying wages to the town.

Chuck Rothermel stated he does not feel we should rebuild the DPW garage or replace the equipment, it's a taxpayer issue. He stated he purchased a new backhoe for \$125,000. Is the village going to spend that and \$30,000 on a leaf machine plus two snow plows?

Trustee Murphy replied he does not see the village board moving forward with a larger DPW garage if it's going to be an additional cost to the taxpayers. It will be rebuilt within the amount the village receives in insurance.

Trustee Puckett noted that it would save the average homeowner that is assessed at \$300,000, \$87 a year if the village was to merge with the Town of Kinderhook.

Rima Bostic is having trouble digesting the numbers she wanted to know if the decision could wait. Will the village wait and take the opportunity to speak with the town? Or is it a take it or leave it deal? She would like to look at the numbers herself she stated she is very good with numbers.

Bonnie Shannon wanted to know what the turnaround time would be... how fast the building can go up.

Mayor Weaver stated that is why it is important for the board to make a decision. If we are going to rebuild a decision on the building needs to be made to move forward.

Karen Scheffer stated it does not seem by the discussion that there would be an increase in the village taxes?

Trustee Phillips responded there may be an increase due to the equipment. The DPW garage would be covered by insurance. He does not see a big enough reduction in the taxes to grant going with the town. There is an approximate \$42,000 in savings which by Trustee Puckett's math would be an approximate \$87 in savings. He is disappointed with the Town's proposal. If the village was to get a price from the town like Valatie, then the village board would look at it harder.

Bernadette Mancini lives on Broad Street wanted to know what the rush was for the meeting and why is the board using an inappropriate meeting space. She just received an email blast on the meeting on Friday.

Barry Knights agreed he was unaware of the meetings as he does not read the paper or notices at the post office.

Mayor Weaver responded there have been many meetings on the DPW fire, rebuilding and merge/share services with the Town since May. They are posted on the bulletin boards and advertised in the newspaper.

Larry Longo stated the decision seems to be solely based on nebulous numbers. This seems like a slippery slope to make a decision on just the numbers. What will the village be? What makes us a village?

Glenn Smith noted that he was a past town councilman and the Town has an A Fund, B Fund and a DB Fund that is strictly the highway garage. He knows Valatie pays \$89,000 to contract with the Town. He would like join the two funds and see an equitable distribution of shared services to both of the villages. The village could build the garage and lease it to the Town for one year then have it become a satellite office. A shared service grant can be applied for that will allow taxes for both of the villages to go down.

A resident asked why the village of Valatie is paying so much less than what the Town proposed to the Village? It was stated that the village of Valatie had a working DPW and equipment when they contracted with the town.

Paul Calcagno said the village has had a horrible 10 years and loss a big tax base with all the buildings in the village square being empty. Now the village is on an upswing. Why do we want to give up on the village now? We got through the past 10 years. He does not want to see the village board give up yet. He said that he received notice from the assessor that all of his buildings are going on the tax roll and the tax base will increase.

A discussion ensued if the village should send out the proposed numbers to the public on what the Town proposed to the village and what the cost savings to the village residents would be.

Mayor Weaver noted that is what this meeting is for and that she has enough information that she can make a decision. Trustee Murphy feels the village board did their due diligence with the Town committee. If the village wanted there is a non for profit center for governments that can help bring the two municipalities together to help with contract but as far as the numbers, he has enough information to also to make a decision tonight. Trustee Puckett feels he is not willing to give up the village on a hand shake. Trustee Phillips stated he has wanted to look at the numbers for the past 10 years or so and he is glad we have. This does not mean it cannot be looked at in another 5 to 10 years.

Mayor Weaver feels the board has done their due diligence and the savings is not significant enough to merge the DPW with the Town. She feels at this time the village board has enough information to make a decision. The town needs to know what the village is doing.

Mayor Weaver made a motion to retain the village DPW; seconded by Trustee Leiser. All voted "aye".

Trustee Phillips spoke with Columbia County Highway Superintendent, Bernie Kelleher. He inquired how much would it cost the village if the County would plow Hudson Street and Albany Ave. He is hoping there will be a cost savings in overtime with the village and it would allow our DPW to shovel village sidewalks instead of hiring a third person. He is hoping this shared service with the county will help the village. Mr. Kelleher will speak with the County attorney and get back to Trustee Phillips.

Village DPW Building-The village received a copy of a letter dated September 21, 2015 from Morrison Engineering, PC to the village insurance carrier, NYMIR. The letter was in response to Mr. Jurkowski, Morris Associates, and renderings of the DPW garage. Mr. Jurkowski had several concerns and on new building code requirements. He is requesting that the following be covered by the insurance; Handicapped accessible bathroom; Increase width of building due to safety space around the truck and plow; increase width of overhead doors to accommodate plow; heat throughout the entire building; ventilation system in the mechanical area; and radiant heat suspended from the ceiling.

The village board discussed the options Mr. Jurkowski requested. Insurance approved handicapped bathroom-ADA fixtures and grab bars; increase the size of the building by 550' for building code requirements; denied additional heating for parts of the building that was not heated previously and ventilation only in mechanical area was approved.

CEO/ZEO requested to review the plans to compare to NYS building code. Mayor Weaver will send Glenn the plans for review.

Village Equipment-An estimate of \$9,000 was received to repair the leaf machine with no warranty. A discussion on how to fund the equipment: should the village purchase outright, bond or to lease. The village could lease at 3.98% with a buy out of \$1.00. We would payout \$1,603.22 in interest for a purchase of \$29,000. Trustee Leiser stated the village received insurance money for equipment. It was decided to purchase the leaf machine outright and questions on bonding should be addressed to the bond attorney.

Trustee Phillips made a motion to purchase the ODM leaf machine; seconded by Mayor Weaver. All voted "aye".

Village Hall Roof-Trustee Puckett requested the village board consider the additional work proposed by the contractor at this time. A quote of \$8,300.00 to remove the cupola roof, replace it with a metal roof replace/repair the wooden structure, siding and trim, add screens and paint the cupola. To abate the cupola and the flat roof would be \$11,377.00. To remove and replace the Flat roof with an EPDM would cost \$18,800.00.

Glenn Smith does not feel the flat roof needs abatement. He has a report from Alpine noting there is no asbestos. Carl from MSI states there is asbestos on the flat roof. Trustee Puckett's opinion is to do the cupola and leave the flat roof for another time. Trustee Puckett states Marilyn Kaplan's, Architect, opinion is to do the flat roof and leave the cupola. Mayor Weaver states there is a money factor. The village can borrow up to \$450,000.00 and the village has \$112,000 in savings for a total of \$562,000. The bid was \$471,000 plus \$2,010.00 additional for asbestos removal and 12% for any additional change orders to the total construction cost to Marilyn. She states if Trustee Puckett decides to do the cupola, this leave approximately \$62,000 left for any additional change orders. Glenn noted the contractor is working on the gutter system now and it has a substantial amount of rot.

Trustee Murphy made a motion to have the village DPW paint and screen in the cupola in order to keep the leaves out and leave the cupola as is; seconded by Trustee Puckett. All voted "aye".

Mayor Weaver made a motion to adjourn at 6:17 pm; seconded by Trustee Murphy. All voted "aye".

Respectfully submitted,

Nicole H. Heeder
Village Clerk