

REGULAR TOWN BOARD MEETING
TUESDAY, SEPTEMBER 8, 2009

Minutes of the Regular Board meeting held on the above date beginning at 7:00 pm at the North Elba Town House, 193 River Street, Saranac Lake, New York.

Members Present: Supervisor Politi, Councilman Miller, Councilman Damp, Councilman Rand, and Laurie Curtis Dudley

Absent: Councilman Favro

Others Present: Attorney Ronald Briggs, Larry Straight, Derek Doty, Chris Knight, and John Alexander

Supervisor Politi opened the Regular Town Board meeting at 7:00 pm by asking everyone to stand for the Pledge of Allegiance.

Supervisor Politi asked for a motion on the minutes of the Board meeting on August 11, 2009.

Councilman Rand moved and Councilman Damp seconded the motion to approve the minutes as written and presented. There being no further discussion, the motion was unanimously carried by those present.

Supervisor Politi stated Councilman Jack Favro could not attend tonight. He is attending a USOC meeting in Colorado.

There being no one present to address the Board, Supervisor Politi transitioned to the Grouse Creek road name change. The original name request of Outlook Way was not approved by Emergency Services because it is similar to one that already exists. The new road name will be Frazier Way. Supervisor Politi asked for a motion to approve Frazier Way as being the new road name.

Councilman Rand moved and Councilman Rand seconded the motion to approve the road name Frazier Way. There being no further discussion, the motion was unanimously carried by those present.

Supervisor Politi transitioned to a Resolution requested by Superintendent Larry Straight to amend the Agreement to Spend Highway Funds dated June 9, 2009 in the amount of \$600,200.00 for General Repairs and Improvements to include the paving of Patch Lane at no additional cost. Said improvement cost to be absorbed by the \$600,200.00 amount.

Councilman Rand moved and Councilman Damp seconded the motion to approve the request to amend the Agreement to Spend Highway Funds. There being no further discussion, the motion was unanimously carried by those present.

Supervisor Politi transitioned to the Resolution for the Waterfront Revitalization Grant at the request of the Ausable River Association. The Town of North Elba working with the Ausable River Association will make an application for grant funding from the Environmental Protection Fund Local Waterfront Revitalization Program for the 2009/2010 year.

Councilman Damp moved and Councilman Rand seconded the motion to approve the Waterfront Revitalization Grant as written and presented. There being no further discussion, the motion was unanimously carried by those present.

Supervisor Politi stated there are several Budget Amendments that Cathy requested. The first for \$3, 532.44 to recognize deferred revenue for the Justice Court Grant which cannot be treated as an expense until such time it has been spent. The second is a reclassification of a portion of funds from professional services in the amount of \$3,179.57 to the Dog Control budget for a BAN. This pertains to the Village of Lake Placid purchase of a vehicle.

Councilman Damp stated is that in addition to the total. What did they do with the other vehicle; do they trade in or sell surplus? Will that offset the amount we budget for?

Supervisor Politi stated Cathy mentioned it to me today and I believe she was also surprised by it. I do not know enough about it. We do not have to approve this portion until we get additional information.

Councilman Damp stated it is obviously a done deal because we are talking 50%, but I would like to know where is the value of the vehicle that we have been paying for all along. Is this going to offset that?

Supervisor Politi stated it is a problem when we do not have the information at a Workshop. I was unaware of it until this morning. Cathy said we are under contractual obligation with the Village to pay for 50% of the Dog Control offset costs. It is a legitimate request to see if the cost of that vehicle is within the original budget.

Supervisor Politi stated Cathy is requesting a third budget amendment of the General Fund which is under budgeted for Health and Medical Insurance in the amount of \$24,000. This is one month's premium. That amount would be offset by a decrease in the inter fund transfers from the Highway Department from \$84,000 to \$60,000. We allocate \$84,000 to cover potential Highway costs which we have not utilized.

Supervisor Politi stated the forth budget amendment is a request to move the originally budgeted \$15,000 which was set aside in a Code Fund Balance for legal fees for updating the Building and Zoning Code Ordinance. These monies need to be transferred.

Councilman Damp moved to pass adjustments 1, 3, & 4 and to table the budget adjustments with regard to the vehicle for the Dog Control. Councilman Rand seconded the motion to approve the budget amendments for the Justice Court Grant, the Health insurance expenditures, and the legal fees for the Building and Zoning Code Ordinance. There being no further discussion, the motion was unanimously carried by those present.

Derek Doty asked if the Health Insurance payment was coming from the Highway Budget and Supervisor Politi explained that \$84,000 is money in the General Fund dedicated as an inter fund transfer to Town Highway. They will not utilize the entire amount so it will be amended to take \$24,000 back to the General Funds to offset the Health Insurance cost.

Supervisor Politi transitioned to the Resolution to Consolidate and Extend the Sewer Districts in the Town of North Elba. The resolution was prepared by Attorney Briggs and is on file in the Clerk's Office. Each parcel will be assessed at a rate of \$10 or \$11 per parcel.

Derek Doty stated at the bottom of the first page it says, "It is hereby determined to be in the public interest to extend public sewer to additional lands within the Town of North Elba". Does this include what Jim Morganson was referring to about how the maps were different?

Supervisor Politi explained the maps are modified to include other lands that are close enough to the district that it would benefit from.

Councilman Miller stated my concern is in regards to the debt for Liberty Hill, who willingly took this debt, is now to be extend to everyone else who is hooked up to the sewer system. If a new developer comes along and asks to be hooked up to the existing system, is everyone going to pay for that too?

Supervisor Politi stated they can be hooked up, but they have to pay for the infrastructure. After the infrastructure is complete it has to be approved and accepted by the Village Sewer Superintendant, Brad Hathaway.

Councilman Miller stated then why aren't we asking the people in Liberty Hill to pay for their infrastructure? Why are we transferring their debt to everyone else?

Supervisor Politi stated they have been paying for it.

Councilman Miller stated we are moving just over \$177,000 of their debt to be paid for by the entire Town. If most people in Lake Placid knew that they were going to have to pay off

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someone else's debt that they willingly accepted, they would not be pleased. Quite frankly, I wouldn't blame them.

Councilman Rand stated there is a balance factor in the future. If another district has a major problem, they will be paying off that expense as well.

Supervisor Politi stated if the Whiteface Inn sewer system needs to be replaced at a cost of \$3 million dollars, it will then be spread over the entire district.

Councilman Miller stated to use the analogy of my road which was private a year ago and the owners now pay \$700 a year to make that road public and we still have that liability of repairing Town roads outside our area even as far as Mirror Lake Drive. Should I be then asking to have the cost of my road be spread around to all the taxpayers?

Supervisor Politi stated first of all, roads are not in sewer districts. I understand the argument but if a road is going to be dedicated and the owners cannot afford the road in advanced and therefore a Section 200 was done. The Town paid for the cost and you are paying off that amount.

Councilman Miller agreed that is exactly the scenario for the homeowners on his road. However, with the sewer district in Liberty Hill, they came to the Town and said we would like to hook up to the sewer system and were told how much it will cost, and now the Board is willing to take their \$177,000 of debt and transfer it to everybody else.

Supervisor Politi stated if they only owed \$25,000 would you have a problem?

Councilman Miller stated there is a number at which it is acceptable.

Supervisor Politi stated you do have a problem if it is *one* number but you do not have a problem if it is *another* number. What happens if Whiteface Sewer District has to be replaced and it is \$3 million dollars?

Councilman Rand stated that is most likely to happen. There are 100 year old lines going in that direction.

Councilman Miller stated if we keep them separate from anyone else, then they don't have that liability, we do. After a point they join the district and have the same liability as everyone else.

Councilman Rand stated by then another district could have a huge cost.

Derek Doty stated the system as a whole will never have a better chance to consolidate.

Supervisor Politi stated that is really the argument. I don't disagree with you. If we had to replace the Whiteface Inn Sewer District and it cost \$3 million dollars, without the consolidated district it would just be those people paying for the entire amount of debt. Since there is very little debt in all seven of these districts, the theory is that now is the time to do it. It is also a convenience for Cathy and Real Property Tax Office. The Village has only one district. It makes sense that we should have just one district. Liberty Hill may have a minor benefit from this.

Councilman Miller stated it is a pretty substantial benefit. Their payments will go from \$200 to \$10 which is substantial. I would love to vote to help them, but I don't believe it is the right thing.

Supervisor Politi stated are you proposing that one district be left out.

Councilman Miller stated yes.

Derek Doty stated if one line went then no one district could rebuild what they have.

Councilman Miller stated I would love to see one big District, but with the debt that Liberty Hill has right now they should not be included.

Supervisor Politi stated I will ask you a pointed question. Does this have to do with the Districts or do you feel that it is not fair in the Highway Districts that your development has to pay for your road.

Councilman Miller stated no. Maybe I should not have used that as an analogy. I have no problem paying for something we chose. Perhaps using me was not a good example. I have a philosophical problem with taking someone else's debt which they willingly accepted and move it to somebody else who never asked for it or committed themselves to it.

Supervisor Politi stated unfortunately Ronnie there is no law for Highway Districts is there?

Attorney Briggs stated everyone votes for what they think is best for the Community. What are the issues; convenience of management, the efficiency of having one district and the arguments going into the future have credibility. When all the taxpayers are paying for an improvement, it brings the cost down to everyone. We all used the Whiteface Inn District as an example and it is a good one. It is an old line and if we didn't do this and the cost would fall on just those in the District. They couldn't do it.

Supervisor Politi stated basically, now that your road is a part of the approved highway process and in five years you have paid off your debt and your road needed to be repaved then it would be at the cost of everyone. I understand that you have to pay for the initial cost but later everyone pays to repair it.

Councilman Miller stated again, I guess I shouldn't have used my road as an example. Perhaps I misunderstood the original discussion. I thought we are looking at each district owing very close to the same debt.

Derek Doty stated they are pretty even across the board except Liberty Hill.

Councilman Miller stated I would love to see all the rest get joined to one district and let Liberty Hill hold off until their debt gets closer to where the others are now.

Supervisor Politi stated Ronnie, what is the legality of that?

Attorney Briggs stated so you want come back and do this all over again?

Supervisor Politi stated instead of having one district, you have two districts. What is the process?

Attorney Briggs stated we can do anything. We have to go back to the engineer and have him start from square one.

Councilman Rand stated this also provides those to hook up to the line that goes to the Ski Jumps. It will all balance out in the long run.

Derek Doty stated it will bring in new revenue with all the people who would like to be on it. The pay down also saved us ten years.

Supervisor Politi stated I too wish the Liberty Hill debt were closer to the rest of the debt, but it cannot always be a perfect system.

Supervisor Politi stated it is up to the Board as to whether we move this as a Permissive Referendum which allows someone to challenge the Resolution. They would have 30 day to file a petition which will then require a vote. The public has that opportunity, Bob, to object if they so choose.

Councilman Damp moved and Councilman Rand seconded the motion to approve the consolidated sewer district as written and presented as a Permissive Referendum. There being no further discussion, the motion was unanimously carried by those present.

Supervisor Politi asked for a roll call vote: Councilman Damp; Aye, Councilman Rand; Aye, Supervisor Politi; Aye, Councilman Miller; Nay, Councilman Favro was absent.

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Supervisor Politi asked Attorney Briggs if we have to approve the Resolution subject to an Inter-municipal Agreement that I do not believe is in place yet.

Attorney Briggs stated it does not need to be. If there is not a referendum, the new Sewer District will go into effect January of 2010.

Supervisor Politi transitioned to the expansion of the C&D pile at the Transfer Station asking Attorney Briggs for an update.

Attorney Briggs stated the APA needs a permit amendment which we are working on with Ivan Zdrahal. Ivan is taking care of the DEC part of it.

Supervisor Politi stated Ivan is concerned because he has not been requested to draw plans for the DEC nor has he seen anything as to what they are requesting. He has not been retained. We have talked to C&S because they did the initial work.

Derek Doty asked why do you need an engineer in a permit process.

Supervisor Politi explained that the DEC wants to see plans; how is it going to be lined, where will it expand to, a survey map (which is from Bob Marvin). The original approval was for a 3 acre C&D site. We only utilize 1 ½ acres and want to expand that to include the remainder of that area. The DEC requests approval from the APA and then the State has to agree as to the technical details of the site. It is not an easy process.

Councilman Rand stated we have already been through all that with the original permit.

Councilman Damp stated so what do we do now? Do we retain Ivan or C&S? Somebody has to take the lead on this.

Supervisor Politi stated C&S did the original and have done it many times before. I have no problem getting a price from them; we need to know what the cost will be. I will call Jim Morrissey.

Supervisor Politi explained to the press that the current C&D pile is known as Little Whiteface because it can be seen in front of Whiteface Mountain from the soccer fields. The original idea was to take a grinder and grind the pile which Shannon Porter said a lot of it was saleable. Currently, the cost for dumping C&D is .07 per pound or \$140 per ton. There is a tremendous demand for it and we are running out of space.

Supervisor Politi asked if there is any other business to come before the Board; Committee Reports? He asked that the Board take note of budget notations such as the Pine View Cemetery, painting the Town House, or improvements to the Town Hall with regards to the Departments the a Board member maybe working on.

Supervisor Politi asked for the Attorney's Report, and Attorney Briggs stated he has a small litigation matter to report in Executive Session.

Supervisor Politi reported on Essex County with an update in regards to the estimated 2010 Sales Tax distribution. It is anticipated that the Town of North Elba receive \$417,500. Of that, the Town would receive \$284,000, Village of Lake Placid; \$117,300, and the Village of Saranac Lake; \$16,200. If the Villages and Towns passed an amendment, those monies could be utilized for whatever purpose they would choose. The Town and the Village of Lake Placid both pass such amendment. It is unknown if Saranac Lake did. The Town plans on utilizing that money to off-set the tax levy and therefore reduce taxes.

Chris Knight asked at what percentage is the Sales Tax Revenue dispersed.

Supervisor Politi explained the projected dispersement is \$1,522,000 which is 1/15th of \$22,800,000. The Town of North Elba is the largest recipient.

Supervisor Politi reported the Nursing Home run by the County loses close to \$4 million dollars a year. A committee has been formed to try and move it towards privatization. To pay someone

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\$2 million dollars a year to run the nursing home will be a large savings. The County has no place in the nursing home business. The hospitals are struggling; the County should never be in the hospital business.

Supervisor Politi sated if there is nothing else to report or address, we then need to approve the audits per the audit numbers.

TOWN OF NORTH ELBA		
CLAIMS APPROVED FOR PAYMENT 9/8/09		
	Regular	Prepaid
A FUND	88,154.74	35,364.89
DA FUND	7,258.08	7,353.48
DB FUND	15,344.69	317.57
H43-2008 AIRPORT CAPITAL PROJECTS	7,040.66	-
SF1 FIRE PROTECTION	232,178.90	-
SF3 FIRE PROTECTION	78,719.46	-
SP PARK DISTRICT	21,954.31	13,766.52
SW2-MCKENZIE WATER	-	74.91
SW3 RAY BROOK	23.24	134.19
T&A TRUST AND AGENCY	-	497.04
TE -PRIVATE PURPOSE TRUST	-	-
	450,674.08	57,508.60
10483; 10704-10753; 10782-10788; 10790-10859; 10861-10887; 10915-10916; 82437		

Councilman Damp moved and Councilman Rand seconded the motion to approve the audits as written and presented. There being no further discussion, the motion was unanimously carried by those present.

Supervisor Politi opened the floor to the press.

Chris Knight asked for clarification with regards to the C&D pile as well as the Consolidated Sewer District; does the Town need an APA permit for the C&D Pile? Attorney Briggs responded explaining that it is an amendment to an existing permit. The other lands mentioned in the Consolidated Sewer District Resolution, is that any land in the town that is not already part of the sewer District? Supervisor Politi responded by explaining that the areas are close to an existing district and could potentially hook on. The Cascade Mobil Home Park was used as an example who is currently not in the sewer district. A sewer line runs to the Ski Jumps and is not in the Sewer District. All those homes and businesses along the way could become part of that Sewer District. The sewer is there now, but they cannot hook onto it.

John Alexander asked what the current debt is for each Sewer District and Supervisor Politi explained at the end of December 2009 the Peninsular District will be \$14,000, Fawn Ridge; \$5,000, Whiteface Inn; \$37,000, Ruisseamont; \$16,000, Placid Heights \$10,000, Sentinel Heights; \$41,000, Liberty Hill; \$152,700. There is very little debt in all of those districts. Supervisor Politi stated now is the time to do it.

There being no further business to come before the Town Board, Councilman Damp moved and Councilman Rand seconded the motion to go into Executive Session at 7:55pm for the purpose of litigation.

Councilman Damp moved and Councilman Miller seconded the motion to come out of Executive Session. Councilman Miller moved and Councilman Damp seconded the motion to adjourn the Regular Town Board Meeting at 8:10pm.

Respectfully submitted,

Laurie Curtis Dudley
Town Clerk