

PUBLIC HEARING NO. 1

BONDING FOR THE INCREASE AND IMPROVEMENT
OF FACILITIES OF THE TOWNWIDE SEWER DISTRICT
IN THE TOWN OF CORTLANDVILLE
(ROUTE 13 SEWER PROJECT)

A Public Hearing was held by the Town Board of the Town of Cortlandville at the Raymond G. Thorpe Municipal Building, 3577 Terrace Road, Cortland, New York, concerning the increase and improvement of facilities of the Townwide Sewer District, consisting of the replacement or rehabilitation of existing sanitary sewer facilities along NYS Route 13, including ancillary work in connection therewith, at a maximum estimated cost of \$4,227,000.

Members present:

Supervisor, Richard C. Tupper
Councilman, Theodore V. Testa
Councilman, John C. Proud
Councilman, Gregory K. Leach
Town Clerk, Karen Q. Snyder, RMC

Absent:

Councilman, Ronal L. Rocco

Others present were: Town Attorney, John Folmer.

Supervisor Tupper called the Public Hearing to order.

Town Clerk, Karen Q. Snyder read aloud the published, posted and filed legal notice.

Supervisor Tupper offered privilege of the floor to those in attendance.

No comments or discussion were heard.

The Public Hearing was closed at 9:02 a.m.

SPECIAL TOWN BOARD MEETING

The Special Meeting of the Town Board of the Town of Cortlandville was held at the Raymond G. Thorpe Municipal Building, 3577 Terrace Road, Cortland, New York, with Supervisor Tupper presiding.

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| Members present: | Supervisor, Richard C. Tupper Councilman, Theodore V. Testa Councilman, John C. Proud Councilman, Gregory K. Leach Town Clerk, Karen Q. Snyder, RMC |
| Absent: | Councilman, Ronal L. Rocco |

Others present were: Town Attorney, John Folmer.

Supervisor Tupper called the Special Meeting to order.

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| RESOLUTION #37 | AUTHORIZE SUPERVISOR TO SIGN PURCHASE ORDER #1177 |
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Motion by Councilman Proud
Seconded by Councilman Testa
VOTES: ALL AYE ADOPTED

BE IT RESOLVED, the Town Board does hereby authorize and direct the Supervisor to sign Purchase Order #1177 submitted by Highway Sup't. Carl Bush to be paid to National Auto Fleet Group for two 84-month extended warranties on two 2013 Chevrolet pickup trucks for the total amount of \$3,252.00.

With regard to the increase and improvement of facilities of the Townwide Sewer District, Attorney Folmer requested the Board adopt the Resolution and Order after Public Hearing as well as the Bond Resolution, which would authorize a 30-year bond in the amount of \$4,227,000 for the construction of the Route 13 Sewer Project.

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| RESOLUTION #38 | ADOPT RESOLUTION AND ORDER AFTER PUBLIC HEARING FOR THE INCREASE AND IMPROVEMENT OF FACILITIES OF THE TOWNWIDE SEWER DISTRICT (ROUTE 13 SEWER PROJECT), IN THE TOWN OF CORTLANDVILLE, IN THE COUNTY OF CORTLAND, NEW YORK, PURSUANT TO SECTION 202-B OF THE TOWN LAW |
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Motion by Councilman Proud
Seconded by Councilman Leach
VOTES: Supervisor Tupper Aye
 Councilman Testa Aye
 Councilman Proud Aye
 Councilman Leach Aye
 Councilman Rocco Absent
ADOPTED

WHEREAS, the Town Board of the Town of Cortlandville (herein called the "Town"), in the County of Cortland, New York, on behalf of the Townwide Sewer District (herein called the "District"), in the Town, has caused an engineer duly licensed by the State of New York (the "Engineer") to prepare a preliminary map and plan for the increase and improvement of facilities of the District, consisting of the replacement or rehabilitation of existing sanitary sewer facilities along NYS Route 13, including ancillary work in connection therewith; and pursuant to the direction of the Town, the Engineer has completed and filed with the Town Board such preliminary map and plan for said increase and improvement of facilities of the District and has estimated the cost thereof to be \$4,227,000; and

WHEREAS, the Town Board adopted an Order describing in general terms the proposed increase and improvement of facilities, specifying the estimated cost thereof, and stating the Town Board would meet to hear all persons interested in said increase and improvement of facilities on January 28, 2013 at 9:00 o'clock A.M. (Prevailing Time) at the Town Hall, 3577 Terrace Road, Cortland, New York; and

WHEREAS, a Notice of such public hearing was duly published and posted pursuant to the provisions of Article 12 of the Town Law and other applicable law; and

WHEREAS, such public hearing was duly held by the Town Board on this 28th day of January, 2013 at 9:00 o'clock A.M. (Prevailing Time) at the Town Hall, 3577 Terrace Road, Cortland, New York, with considerable discussion on the matter having been had and all persons desiring to be heard having been heard, including those in favor of and those in opposition to said increase and improvement of such facilities; and

WHEREAS, the Town Board and the Town have complied in every respect with all applicable federal, state and local laws and regulations regarding environmental matters, including compliance with the New York State Environmental Quality Review Act, constituting Article 8 of the Environmental Conservation Law and the Town Board has determined that the proposed project is a Type I action for purposes of SEQRA; the Town Board has reviewed a long-form Environmental Assessment Form and has issued a Negative Declaration;

Now, therefore, on the basis of the information given and received at such hearing, it is hereby

DETERMINED, that it is in the public interest to increase and improve the facilities of the District as hereinabove described, at the estimated maximum cost of \$4,227,000; and it is hereby

ORDERED, that the facilities of the District shall be so increased and improved and that the Engineer heretofore retained by the Town Board shall prepare plans and specifications and make a careful estimate of the expense for said increase and improvement of such facilities and, with the assistance of the Town Attorney or the attorney for the District, shall prepare a proposed contract for such increase and improvement of facilities of the District, which plans and specifications, estimate and proposed contract shall be presented to the Town Board as soon as possible; and it is hereby

FURTHER ORDERED, that the expense of said increase and improvement of facilities shall be financed by the issuance of \$4,227,000 bonds of the Town, and the costs of said increase and improvement of facilities, including payment of principal of and interest on said bonds, shall be paid by the assessment, levy and collection of assessments upon the several lots and parcels of land within the District, so much upon and from each as shall be in just proportion to the amount of benefit conferred upon the same to pay the principal of and interest on said bonds; and it is hereby

FURTHER ORDERED, that the Town Clerk record, or cause to be recorded, a certified copy of this Resolution and Order after Public Hearing in the office of the Clerk of Cortland County within ten (10) days after adoption thereof.

RESOLUTION #39

BOND RESOLUTION OF THE TOWN OF CORTLANDVILLE, NEW YORK, ADOPTED JANUARY 28, 2013, APPROPRIATING \$4,227,000 FOR THE INCREASE AND IMPROVEMENT OF FACILITIES OF THE TOWNWIDE SEWER DISTRICT (ROUTE 13 SEWER PROJECT), AND AUTHORIZING THE ISSUANCE OF \$4,227,000 SERIAL BONDS OF SAID TOWN TO FINANCE SAID APPROPRIATION

Motion by Councilman Proud
Seconded by Councilman Leach

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| VOTES: Supervisor Tupper | Aye |
| Councilman Testa | Aye |
| Councilman Proud | Aye |
| Councilman Leach | Aye |
| Councilman Rocco | Absent |

ADOPTED

WHEREAS, following preparation of a map and plan and an estimate of cost for the increase and improvement of facilities of the Townwide Sewer District (herein called the "District"), in the Town of Cortlandville (herein called the "Town"), in the County of Cortland, New York, and after a public hearing duly called and held, the Town Board of the Town determined that it is in the public interest to increase and improve the facilities of the District, and ordered that such facilities be so increased and improved;

Now, therefore, be it

RESOLVED BY THE TOWN BOARD OF THE TOWN OF CORTLANDVILLE, IN THE COUNTY OF CORTLAND, NEW YORK (by the favorable vote of not less than two-thirds of all the members of said Board) AS FOLLOWS:

Section 1. The Town hereby appropriates the amount of \$4,227,000 for the increase and improvement of facilities of the District, consisting of the replacement or rehabilitation of existing sanitary sewer facilities along NYS Route 13, including ancillary work in connection therewith. The estimated maximum cost thereof, including preliminary costs and costs incidental thereto and the financing thereof, is \$4,227,000 and said amount is hereby appropriated for such purpose. The plan of financing includes the issuance of \$4,227,000 bonds of the Town to finance said appropriation and the assessment, levy and collection of assessments upon the several lots and parcels of land within the District, so much upon and from each as shall be in just proportion to the amount of benefit conferred upon the same to pay the principal of and interest on said bonds.

Section 2. Bonds of the Town are hereby authorized to be issued in the principal amount of \$4,227,000 pursuant to the provisions of the Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of the State of New York (herein called "Law"), to finance said appropriation.

Section 3. The following additional matters are hereby determined and stated:

(a) The period of probable usefulness of the object or purpose for which said bonds are authorized to be issued, within the limitations of Section 11.00 a. 4 of the Law, is forty (40) years.

(b) The proceeds of the bonds herein authorized and any bond anticipation notes issued in anticipation of said bonds may be applied to reimburse the Town for expenditures made after the effective date of this resolution. The foregoing statement of intent with respect to reimbursement is made in conformity with Treasury Regulation Section 1.150-2 of the United States Treasury Department.

(c) The proposed maturity of the serial bonds authorized by this resolution will exceed five (5) years.

Section 4. Each of the bonds authorized by this resolution and any bond anticipation notes issued in anticipation of said bonds shall contain the recital of validity prescribed by Section 52.00 of the Law and said bonds and any notes issued in anticipation of said bonds shall be general obligations of the Town, payable as to both principal and interest by a general tax upon all the taxable real property within the Town. The faith and credit of the Town are hereby irrevocably pledged to the punctual payment of the principal of and interest on said bonds and any notes issued in anticipation of the sale of said bonds, and provision shall be made annually in the budget of the Town by appropriation for (a) the amortization and redemption of the bonds and any notes issued in anticipation thereof to mature in such year and (b) the payment of interest to be due and payable in such year.

Section 5. Subject to the provisions of this resolution and of the Law and pursuant to the provisions of Section 21.00 relative to the authorization of the issuance of bonds with substantially level or declining annual debt service, Section 30.00 relative to the authorization of the issuance of bond anticipation notes and Section 50.00 and Sections 56.00 to 60.00 and 168.00 of the Law, the powers and duties of the Town Board relative to authorizing bond anticipation notes and prescribing the terms, form and contents and as to the sale and issuance of the bonds herein authorized, and the renewals of said bond anticipation notes, and as to executing contracts for credit enhancements and providing for substantially level or declining annual debt service, are hereby delegated to the Supervisor, the chief fiscal officer of the Town.

Section 6. The validity of the bonds authorized by this resolution, and of any notes issued in anticipation of said bonds, may be contested only if:

(a) such obligations are authorized for an object or purpose for which the Town is not authorized to expend money, or

(b) the provisions of law which should be complied with at the date of the publication of such resolution, or a summary thereof, are not substantially complied with, and

an action, suit or proceeding contesting such validity is commenced within twenty days after the date of such publication, or

(c) such obligations are authorized in violation of the provisions of the constitution.

Section 7. This resolution shall take effect immediately and the Town Clerk is hereby authorized and directed to publish the foregoing bond resolution, in summary, in "*The Cortland Standard*," a newspaper having general circulation in said Town, which is hereby designated as the official newspaper of the Town for such publication, together with the Town Clerk's statutory notice in the form prescribed by Section 81.00 of the Local Finance Law of the State of New York.

Attorney Folmer explained that the Town had to get all of the paperwork together by February 1, 2013 in order to apply for a grant for the Route 13 Sewer Project. Attorney Folmer and Town Clerk Snyder were in contact with Rich DeGuida from Clough Harbour & Associates, Kelly Lathan from Fiscal Advisors & Marketing, Inc., and with Terry Deuel from Environmental Facilities Corporation (EFC). Town Clerk Snyder indicated that she emailed the necessary documents to Kelly Lathan at Fiscal Advisors. She also made arrangements with the *Cortland Standard* to publish the Estoppel Notice in the newspaper today, which would start the 20-day estoppel period. Attorney Folmer noted that the EFC was not concerned that the estoppel period was running; the EFC was just interested that the bond resolution was adopted and that the estoppel notice was published. After the 20-day period Town Clerk Snyder would issue a certificate indicating that there were no petitions filed.

Supervisor Tupper was pleased that the paperwork was completed in such a short period of time. He apprised the Board that according to his financial calculator the Town would save \$1.8 million in interest if the Town receives a 0% loan. Supervisor Tupper expected to be notified about the loan within six weeks. At that time the Town could go back to the USDA and reopen the Town's request for a possible \$500,000 grant.

Attorney Folmer explained that the problem with the hardship request was with the "gatekeeper" who goes through the grant packet. If the gatekeeper finds something substantial missing from the grant application, the application could be set to the side at which point the Town could not reapply for one year.

Councilman Proud recalled that when the Town completed the Polkville Water Project, there was excess money available that the Town could not access. Supervisor Tupper stated that the Town could not utilize the excess money for the Polkville Water Project because CHA did not include ancillary items in the project. Supervisor Tupper was not sure whether ancillary items were included for the Route 13 Project.

Councilman Leach questioned when the project would commence. Supervisor Tupper stated that Rich DeGuida from CHA anticipated going to bid in the fall of 2013 and beginning construction in the spring of 2014.

Councilman Leach questioned whether the Town could get the bid specs ready. Attorney Folmer explained that it costs a lot of money to complete the specs, and stated that the Town would want to know that it was receiving money before proceeding. The Town should know by mid-March if financing was in place. Attorney Folmer stated the Town would also know whether the "gatekeeper" was passing the project on.

Supervisor Tupper stated that somebody has to declare the hardship; without the hardship, the interest rate would be about 2.25%. Councilman Proud questioned what the hardship was based on. Supervisor Tupper explained that the hardship was based on a medium income using the 2000 census. According to the 2010 census the Town's mean income increased and the Town is no longer a low-income community. However, because the application would be completed so quickly, the Town would be ahead of the deadline and would not have to comply with the new minority rules.

No further comments or discussion were heard.

Councilman Proud made a motion, seconded by Councilman Leach, to adjourn the Special Meeting. All voting aye, the motion was carried.

The meeting was adjourned at 9:25 a.m.

Respectfully submitted,

Karen Q. Snyder, RMC
Town Clerk
Town of Cortlandville

*Note:

The draft version of this meeting was submitted to the Town Board for their review on March 15, 2013.

The draft version of this meeting was approved as written at the Town Board meeting of March 20, 2013.