

VILLAGE OF EARLVILLE

Regular Monthly Meeting
Village Hall

July 11, 2011
7:04 PM

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NOTICE: Pursuant to Article 7 of the Public Officers Law § 104-1, notice of this meeting was given to the media at least seven days in advance and the same posted on the 1st day of July, 2011.

Tonight's meeting minute notes: All votes by the Village of Earlville Board of Trustees (herein "Board" or "Village Board") 4-0 are to be read as "aye" votes from Village of Earlville Board of Trustees members Excell, Hayes, Moore and Taylor. The "Village Office" is the Village of Earlville Municipal Office located at 8 North Main Street. The "Planning Board" means the Village of Earlville Planning Board.

Village Mayor Mark Doeberl called the meeting to order at 7:04 p.m. Board members present were Trustees Gerald Hayes, Henry Moore, William Excell and Tom Taylor. Also present were Village Clerk-Treasurer Kelly Beach, Municipal Solution members, Jeff Smith, John Savash, Mary Chapman and several members of the public.

The meeting began in the Fire House with a presentation on the Water Project. Jeff Smith explained the reason for Municipal Solutions to be there and the status of the financial progress on the project. It was advised that when the Project began and the Budget was created, it was believed by the past clerk and Board that the principal payment part of the Water Project costs could in fact be paid out of the General Budget. John Savash then went on to explain that he was brought in to do the 4 years AUD required by NY State as well as Rural Development. He explained that due to not having yearly financial AUDs completed, there was no way that the Board could have a factual dollar amount to know that the water fund does not have enough to sustain itself and the Water Project. He also explained that the water fund has begun to improve, but enough only to cover the operation. Jeff stated that the Village can use fund balance of about \$60,000 after revisions to the water budget and that there will be enough in the 2011-2012 revised budget to sustain the project, with the suggested changes to the water billing. They have completed a 3 year projection on the Water Budget, and suspect that the Village may be able to decrease operation charges in 2013.

Some of Municipal Solutions suggestions were to switch the Water billing cycle to a quarterly billing versus the current semi-annual system. To begin assessing an annual meter hydrant rental fee to be paid by the General Fund to the Water Fund for the use and maintenance of hydrants for fire protection. Starting in January 2012, begin charging a quarterly debt service fee of \$78.50 (or \$314.00 per year) per typical water user. All Village owned buildings served by water will also be charged a debt service fee. Any new Water customer will also pay towards the fee, lowering the annual rate for everyone. The average typical quarterly bill per Village user is currently projected at \$78.50 for debt service fee plus \$51.25 (minimum usage) for a total of \$129.75 per customer every quarter.

Jeff from Municipal Solutions also had some recommended best management practices that they feel should be put into practice. One suggestion was to convert the existing Water System Reserve fund to a Repair and Replacement Reserve Fund to assist in meeting the USDA RD Mandatory Reserve Fund requirements. Another suggestion is to perform an asset inventory annually using an industrial appraisal company to bring the Village into compliance with NYS Comptroller's Asset Management requirements. They suggest that a system-wide detection survey should be performed once every 3 to 5 years, which would potentially save the Village a

considerable amount of money on lost water. Include money on the budget to pay for an annual independent CPA audit as required by the USDA RD. And most importantly according to them is to actively seek out opportunities to add additional users to the system as the more users, the lower the quarterly debt service fee will have to be.

The floor was then turned over to the public to ask questions. Trustee Excell apologized to the residents regarding notification of the meeting (lack of, in his opinion as he had wanted to mail out letters to all Water account holders inviting everyone to attend). Mayor Doeberl stated that we had only about a weeks notice that Municipal Solutions would be able to make the meeting as one of them is also a professor and was scheduled to teach a class on the night of the meeting. A resident questioned/stated that what bothered him the most was that the village was originally sold on this Water Project with one set of numbers and now these numbers are being changed. The Board answered that yes, they agreed, as they were the same numbers that they were given to vote on as well and were very surprised when the new information was just recently given to them. A resident wanted to know where the extra money was needed that was not there before. John explained that there was no more money needed, it was discovered that most of the funds had been budgeted to come from the General Fund, when in fact they must come from the Water Fund as the Water Fund must be found to be self supporting. Another resident stated that they would be paying as much for water as taxes now. It was stated that this will hurt the nonprofits, since they do not have enough funds to pay the bills now. Several questions and accusations followed, including the present Board and Mayor having added to the Water Project, therefore increasing the amount to be paid back. Doeberl informed the resident that the Village can not and has not increased expenses as USDA RD had approved the original amount borrowed and changes can not be made to that amount. One resident stated that some service lines were replaced 20 yrs ago and are not being replaced now; however they should have all been done. It was suggested that the Village take the previous consulting firm to court...not for the money, but to make it right. A resident questioned whether there was an increase due to sidewalk installation as well as the digital meters. No, both of these items had been originally figured into the amount of money borrowed; both items are in the contingency line of the original budget. A resident asked why the Village could not give the \$500,000 grant back and lower the loan payments. Jeff answered that it does not work that way; it is a set rate and we have to pay back a set amount. A resident requested proof of the original amount of loan, Mary Chapman said they would look for those papers. The question was asked: will the \$2.65 per thousand gallons over the 20,000 gallons minimum go down? John advised that at this time, the previously established O & M rates would stay the same. Another question asked was why we would charge the village for the water used when the residents will still end up paying it in the end. There was a question about the Water District and whether outside users will be charged more. Doeberl advised that the Village had just been informed that a waiver was granted by USDA. The Water Districts did not need to be formed since there are so few users involved. It was stated that the previously established O & M rates did in fact charge more for people outside the Village limits. Someone asked why charging the use of water from hydrants to the General Fund is legal when the Water Fund account must support itself. Jeff explained that loaning or giving the Water Fund account money from the General Fund is not the same as charging the General Fund for services provided. The same resident questioned Municipal Solutions suggestion of hiring auditors to find water leaks every 5 years. He felt it was a waste of time and money as he stated that USDA would come in to do the same thing. Jeff stated that in fact, they do not come in to find the leaks, the location of the leak must be known first. The presentation came to an end at 8:45pm. Most of the Village residents left the meeting. After a ten minute break, the meeting was moved to the Village Office.

At 8:55pm, Mayor Doeberl, Trustees Excell, Hayes, Moore and Taylor as well as Village Clerk-Treasurer Beach and seven members of the public returned and continued the regular portion of the monthly Board Meeting.

Abstract 638 as presented for Board approval, included Vouchers #6780-6822 totaling \$12,844.36 to be tentatively split \$11,146.23 from the General Fund, \$1,290.19 from the Water Fund and \$407.94 from the Trust and Agency Fund. On a motion by Trustee Moore, seconded by Trustee Excell and approved 5-0, Abstract 638 was approved for payment. Of the \$12,844.36, \$1,570.57 had been paid prior to tonight's Board meeting.

The Capital Project Abstract 639, which included Voucher # CR37 - CR42, was presented for Board approval in the amount of \$1,354,082.59 to be taken from the Water Project Capital Fund. On a motion by Trustee Taylor, seconded by Trustee Moore and carried 5-0, the Capital Project Abstract 639 was approved for payment. CR42 for Vacri Construction \$1,333,354.38 was approved for payment contingent on USDA RD approval.

Fire Department PO's 0609--0613 in the amount of \$3,522.43 was approved for payment on a motion by Moore, seconded by Taylor and approved 5-0.

The following meeting minutes were approved: June 14, 2011 Regular Board Meeting; motioned by Taylor, seconded by Hayes, 5-0.

In the Trustee reports, Taylor stated that there was no DPW report. The workers have spent most of the last week working on getting ready for Earlville Days and helping the Water Project crew. Moore asked that the bathroom sink in the Village Office be fixed as it has been leaking for some time.

Mayor Doeberl stated that the Earlville Community Days was a success, however the numbers were down from the previous year. This was attributed to the fact that the information was not given in time for the posters to be created and distributed to the newspapers in time.

Trustee Hayes reports that the Opera House has a full program scheduled for the summer. There was no report from the dog warden. Hayes gave a brief update on the museum.

Trustee Moore reported that there have been no FOIL requests. There was a fund raiser held by S-E Youth Football at the Fire House, the turn out had been good. It was questioned as to why it was not brought in front of the Board for permission to use the Fire House. Moore stated he would talk to the Fire Chief about it.

Trustee Excell reported that there was no report from the CEO. There was a discussion about food vendors at the Earlville Days and the lack of communication between Board members.

In old business, Moore stated that he has spoken with Bill Excell Sr. about the need to meet with the Madison County Sheriff's Dept to discuss the upcoming police contract. Moore will be setting up said meeting in the near future. Moore asked Excell to look at the back of the fire house where the blacktop is to be replaced. It was discussed that the fire department needs to address the extra expenses prior to new budgets being passed, so that the funds can be added to the budget. Mayor Doeberl advised that the delinquent water bills have decreased to \$13,320.22. On a motion by Moore, seconded by Hayes, carried 5-0, water shut off on delinquent accounts is still scheduled for July 12, 2011

In new business, one water account was discussed and on a motion by Moore, seconded by Hayes, carried 5-0 it was agreed to give the resident a 10 day extension to pay the bill in full. The water bill must be paid in full by the close of business on July 21, 2011 or the service will be shut off first thing in the morning on Friday July 22nd.

In public comment, an issue with the CEO and a resident was discussed. With no decisions made, it was tabled until a later time.

At 9:30 p.m. a motion was made by Moore, seconded by Taylor carried 5-0 to go into Executive Session to discuss "matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation." Two issues were discussed during this session; no actions were taken on either. On a motion by Moore, seconded by Excel, 5-0 the Board reentered public session at 10:22 pm.

Doeberl then read a report from NY Municipal Insurance Reciprocal regarding an underwriting report received on July 5 that requires a written response with in 60 days. An

underwriting audit had been conducted in person regarding safety issues and the finding was as follows, including the Boards verbal responses. 1) DPW garage: MVRs are not being secured on the municipalities drivers. MVRs should be secured annually and at the time of hire. Doeberl responded to this by stating that it is his understanding that Mang Insurance procures these. A call has been placed to Debbie at Mang Insurance to verify this. 2) Water Pump Station: The transfer Switch Panel at this location should be locked at all times to prevent tampering with the circuit breakers. Taylor was going to talk to DPW about getting a lock and putting it on. 3) Water Pump Station; this is a non-public location. Thus area should be identified with a sign stating "No Trespassing" or equivalent verbiage that states who is permitted in this area. Taylor will talk to DPW about getting said sign. 4) Playground/Skate Park: The resilient surface beneath the playground equipment needs to be uncompressed and redistributed uniformly. DPW will be asked to rake the substance underneath swings and equipment to meet codes. 5) Playground/Skate park: The ramps for the Skate Park are starting to deteriorate. Some of the screws are missing and create a slip, trip and fall hazard. This has been addressed. The Village residents and skate park users are currently doing fund raisers and work at the skate park to correct these issues.

The next board meeting will be Monday August 8th at 7:00pm. This will be a regular board meeting.

With nothing further to discuss, Trustee Taylor motioned to adjourn the Village of Earlville Board Meeting at 10:36pm, seconded by Trustee Moore, and carried 5-0.

"I certify this document is a true and accurate description of the regular board meeting of the governing board of the Village of Earlville on July 11, 2011."

Kelly Beach
Clerk-Treasurer
Village of Earlville

- Village Seal -