MINUTES BOOKTOWN OF COEYMANS**
January 07, 2015 – Special Town Board Meeting – 3:00pm

A Special Town Board Meeting was held Monday, January 07, 2015, at 3:00pm at Town Hall, 18 Russell Avenue, Ravena, New York

PRESENT: Stephen D. Flach, Supervisor
Thomas E. Dolan, Councilman
Peter E. Masti, Councilman
Kenneth A. Burns Sr., Councilman

ABSENT: George E. Langdon IV

ALSO PRESENT: Diane L. Millious, Town Clerk
Larry Conrad, Sewer Administrator

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Supervisor Flach opened the meeting and led the Pledge of Allegiance.

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OPENING COMMENT

Supervisor Flach stated that there is a full Town Board with the exception of Councilman Langdon.

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Supervisor Flach asked that Town Clerk Millious read the Notice for the Special Town Board Meeting.

Town Clerk Millious continued by reading the following:

NOTICE
SPECIAL
TOWN BOARD MEETING

In accordance with Public Officer's Law, this will inform you that the Town Board of the Town of Coeymans has scheduled a Special Town Board Meeting for Wednesday, January 7, 2015 at 3:00pm at Town Hall, 18 Russell Avenue, Ravena, NY 12143. The purpose of the meeting is for a Supplemental Bond Resolution dated November 10, 2010, authorizing the issuance of up to $425,000.00 in Serial Bonds of the Town of Coeymans to pay the cost of acquisition, construction, and installation of Waste Water Treatment improvements; and delegating certain authority to the Town Supervisor.

By Order of the Town Board
of the Town of Coeymans
Diane L. Millious
Town Clerk

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AGENDA

- Convert BAN to Bond

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SUPERVISOR'S OPENING COMMENT

Supervisor Flach read the following:

A BAN was taken out in November 2010 for Capital Project H35 (roof, generator and heating). The Village has requested this be done so they can figure for their budget on a regular basis.

Interest rates are low now. Since they pay the bulk of the bill, they would like to have a fixed figure for the Bond Life. At the time this was done, it wasn't worded to be able to turn into this type of a Bond as our others are.

Supervisor Flach asked if Sewer Administrator Conrad had anything to add.

Sewer Administrator Conrad stated that as they know they have discussed this issue, the project has been completed for the boiler, roof replacement, and generator project that was done and there is no need to keep it open as a BAN. He added that for practical purposes they have been doing it trying to save some money on the interest and have been knocking it down at about $15,000.00 on principal a year and the new Bond will actually be about $15,000.00 a year but the interest and principal are going to be somewhat the same $15,000.00 so it's really not going to change the overall payment per year, however it won't reduce the principal as fast. He continued by saying that in the essence of what was said, the Village is the primary payee on it, their budgets follow the Towns in the middle of the year and it will be so they have something that they can work with from year to year without wondering what it is going to be and getting caught off-guard with additional payments that they are unaware of. He concluded by saying that they requested that it be changed to a Bond at a fixed rate.

Supervisor Flach interjected that they do save approximately $2,000.00 on BAN/Bond Counsel.

Sewer Administrator Conrad stated that it usually costs $1,875.00 to do the renewal every year, which they won't have to do but they will pay more in interest and by keeping it as a BAN they could have probably saved for at least another two years and the interest rates currently are 1.75% and the Bonds will typically be 3-4%.

Councilman Burns asked if they used the whole amount of $425,000.00.

Sewer Administrator Conrad stated that they actually went over it but the Village has paid their portion of it that was overspent and they actually spent $457,000.00 and reiterated that the Village squared up and paid their percentage of the overage, which brought it down to $425,000.00. He continued by saying that originally they approved up to $425,000.00 but only borrowed $375,000.00 in the beginning so when they overspent it, the Sewer District up-fronted $100,000.00 of it through transfers from the Muffin Monster and by fixing some account numbers that they messed up. He added that during that time, the Village wasn't paying any money and through the whole process and getting everything squared around with the due to's and due from's and borrowed the additional money, which brought it up to the $425,000.00 maximum and in turn squared up with the Village for the overage between the Town and the Village and have been making payments on it for the past couple of years and actually paid $75,525.00 in addition to what they had budgeted on the BAN at the time and caught the Village off guard with the extra money. He went on by saying that he has reviewed it with Trustees Bailey and Mahler and as soon as they are sure where their budget is at, they are going to make up their difference of the portion that has to be repaid for the $75,000.00, which is 65% on the one year and 60% on the second year and will probably pay it all in one lump sum in the next couple of months. He concluded by saying that the Village asked that they do this and he told him he would attempt to get it done because it is moving rather quickly and it brought them to this meeting.

Councilman Burns stated that if the interest rate is really low on it right now and they can keep it for two years and then asked why they don't keep it for two more years.

Sewer Administrator Conrad stated that they have to be renewed annually and they have to plug in a number, which they have done in the amount of $25,000.00 for the 2015 Budget and it will be reduced by $25,000.00 and the BAN will be converted to a Bond, which will be a fixed rate of interest for the life of the loan. He added that what it is basically doing is guaranteeing them a fairly low interest rate for the next 20 years.

Supervisor Flach reiterated that they would have to renew a BAN every year and they are not guaranteed on the interest rate.

Sewer Administrator Conrad interjected that interest rates are probably going to go up.

Supervisor Flach stated that the first time they did the BAN it was .95 and it is now at 1.7%.

Sewer Administrator Conrad stated that if it was for H49, he would vehemently be against it because they are currently in the process of trying to get EFC to finance the money, which would take up both H41 and H39 at 0% interest for the life of the loan but H35 was not included in part of it and it is the only reason that he would agree totally to this even though both the projects are also shared by the Village with H39 basically being finished but H41 is still under negotiation for the rest of it and once the money is approved through the EFC, H41 will take up H39 and all of the money that was spent in H39 will become 0% interest or 2% if they don't get the hardship.

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RESOLUTION

Supervisor Flach stated that he would offer up the resolution.

RES. #030-15 AUTHORIZE SUPPLEMENTAL BOND
On motion of Supervisor Flach, seconded by Councilman Dolan, the following resolution was APPROVED – VOTE – AYES 4 – NAYS 0 – ABSENT 1 (Langdon) – SO MOVED

SUPPLEMENTAL BOND RESOLUTION DATED JANUARY 7, 2015

A RESOLUTION SUPPLEMENTING RESOLUTION DATED NOVEMBER 22, 2010, AUTHORIZING THE ISSUANCE OF UP TO $425,000.00 IN SERIAL BONDS OF THE TOWN OF COEYMANS TO PAY THE COST OF ACQUISITION, CONSTRUCTION, AND INSTALLATION OF WASTEWATER TREATMENT PLANT IMPROVEMENTS; AND DELEGATI NG CERTAIN AUTHORITY TO THE TOWN SUPERVISOR

WHEREAS, the Town Board of the Town of Coeymans (the "Town Board") has previously adopted its Resolution dated November 22, 2010 entitled "RESOLUTION AUTHORIZING THE ISSUANCE OF UP TO $425,000 IN SERIAL BONDS OF THE TOWN OF COEYMANS TO PAY THE COST OF ACQUISITION, CONSTRUCTION, AND INSTALLATION OF WASTEWATER TREATMENT PLANT IMPROVEMENTS; AND AUITHORIZING THE ISSUANCE OF UP TO $425,000 IN BOND ANTICIPATION NOTES OF THE TOWN FOR THE SAME PURPOSE" (the "2010 Resolution") authorizing the issuance of serial bonds in an aggregate principal amount not to exceed $425,000, for the Wastewater Treatment Plant Improvements; and

NOW, THEREFORE BE IT RESOLVED, by the Town Board (by the favorable vote of not less than two-thirds of all of the members of the Common Council), as follows:

SECTION 1. The 2010 Resolution is hereby supplemented as follows: Subject to the terms and contents of the 2010 Resolution and the Local Finance Law, and pursuant to the provisions of Sections 30.00, 50.00 and 56.00 to 63.00, inclusive, of said Law, the power to authorize bond anticipation notes in anticipation of the issuance of the serial bonds authorized by the resolution and the renewals of said notes and the power to prescribe the terms, form and contents of serial bonds and bond anticipation notes (including without limitation the date, denominations, maturities, interest payment dates, consolidation with other issues, and redemption rights), the power to determine to issue said bonds providing for substantially level or declining debt service, and the power to sell and deliver said serial bonds (including statutory installment bonds), and any bond anticipation notes issued in anticipation of the issuance of such bonds, is hereby delegated to the Town Supervisor, the Chief Fiscal Officer of the Town. The Town Supervisor is hereby authorized to sign any serial bonds (including statutory installment bonds) issued pursuant to this resolution and any bond anticipation notes issued in anticipation of the issuance of said serial bonds, and the Town Clerk is hereby authorized to affix the corporate seal of the Town to any of said serial bonds or any bond anticipation notes and to attest such seal.

SECTION 2. This resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

Stephen D. Flach	VOTING - Aye
George E. Langdon	VOTING - Absent
Peter E. Masti	VOTING - Aye
Thomas E. Dolan	VOTING - Aye
Kenneth A. Burns	VOTING - Aye

The foregoing resolution was thereupon declared duly adopted.

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ADJOURNMENT

MOTION

Supervisor Flach offered a motion to adjourn the Special Meeting.

On motion of Supervisor Flach, seconded by Councilman Dolan, the Town Board Special Meeting was adjourned.
APPROVED – VOTE – AYES 4 – NAYS 0 – ABSENT 1 (Langdon) – SO MOVED

Time – 3:08pm

Respectfully Submitted, **APPROVED –**

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Diane L. Millious, Town Clerk