

The budget work session meeting of the Village of Arcade (VOA) Board of Trustees, Wyoming County, New York was held on Monday, February 22, 2016 at 6:00 pm there were:

**PRESENT**

Mayor Jay May, Trustee Ken Rule, Trustee Jim McGarvey, Trustee Donna Schiener, Superintendent of Public Works Larry Kilburn, Clerk/Treasurer Jennifer Kraft, Deputy Clerk/Treasurer Michelle Karpinski.

**PLEDGE OF ALLEGIANCE**

Mayor May opened the meeting with the Pledge of Allegiance.

**TRANSFER FROM MONEY MARKET SAVINGS TO EQUIPMENT REPLACEMENT RESERVE**

Proceeds have been realized in the amount of \$8,100 from the sale of the 2006 Chevrolet Silverado truck and the Trackless, both from the highway department. Motion by Trustee Rule and seconded by Trustee Koerner to authorize Clerk Treasurer Kraft to move the proceeds from the sale of the equipment to the general fund equipment replacement reserve.

The motion was passed upon the following vote:

<b>VOTE</b>								
Mayor Jay May	X	Yes		No		Abstain		Absent
Trustee Andy Koerner	X	Yes		No		Abstain		Absent
Trustee Jim McGarvey	X	Yes		No		Abstain		Absent
Trustee Ken Rule	X	Yes		No		Abstain		Absent
Trustee Donna Schiener	X	Yes		No		Abstain		Absent
<b>VOTE TOTAL:</b>								
	5	Yes	0	No	0	Abstain	0	Absent
<b>RESULTS</b>								
	X	<b>PASS</b>				<b>FAIL</b>		

**AMENDING BOND RESOLUTION WWTP EXPANSION**

Although the following resolution was approved at the regular board meeting held February 16, 2016 the approval was null and void as a bond resolution requires the approval of two thirds of the board of trustees, only three board members were present and approved. The resolution was offered as follows:

Motion by Trustee Rule and seconded by Trustee Schiener to accept the following resolution:

**AN AMENDING AND RESTATING BOND RESOLUTION, DATED FEBRUARY 22, 2016, OF THE VILLAGE BOARD OF TRUSTEES OF THE VILLAGE OF ARCADE, WYOMING COUNTY, NEW YORK (THE "VILLAGE"), AMENDING THE BOND RESOLUTION THAT WAS ADOPTED ON JANUARY 27, 2015, AND AUTHORIZING A SEWER SYSTEM CAPITAL IMPROVEMENTS PROJECT, AT AN ESTIMATED MAXIMUM COST OF \$5,725,000 AND AUTHORIZING THE ISSUANCE OF SERIAL BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,725,000 OF THE VILLAGE, PURSUANT TO THE LOCAL FINANCE LAW TO FINANCE SAID PURPOSE, SAID AMOUNT TO BE OFFSET BY ANY FEDERAL, STATE, COUNTY AND/OR LOCAL FUNDS RECEIVED, AND DELEGATING THE POWER TO ISSUE BOND ANTICIPATION NOTES IN ANTICIPATION OF THE SALE OF SUCH BONDS TO THE VILLAGE TREASURER.**

WHEREAS, on January 27, 2015, the Village Board of Trustees of the Village of Arcade, Wyoming County, New York (the "Village") adopted a certain bond resolution (the "Original Bond Resolution") entitled:

**A BOND RESOLUTION, DATED JANUARY 27, 2015, OF THE VILLAGE BOARD OF TRUSTEES OF THE VILLAGE OF ARCADE, WYOMING COUNTY, NEW YORK (THE "VILLAGE"), AUTHORIZING A SEWER**

**SYSTEM CAPITAL IMPROVEMENTS PROJECT PRIMARILY AT THE WASTEWATER TREATMENT FACILITY, AT AN ESTIMATED MAXIMUM COST OF \$4,788,980, AND AUTHORIZING THE ISSUANCE OF SERIAL BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$4,788,980, PURSUANT TO THE LOCAL FINANCE LAW TO FINANCE SAID PURPOSE, SAID AMOUNT TO BE OFFSET BY ANY FEDERAL, STATE, COUNTY AND/OR LOCAL FUNDS RECEIVED, AND DELEGATING THE POWER TO ISSUE BOND ANTICIPATION NOTES IN ANTICIPATION OF THE SALE OF SUCH BONDS TO THE VILLAGE TREASURER**

and

WHEREAS, the Village has previously issued bond anticipation notes pursuant to the Original Bond Resolution, but has not yet entered into permanent financing arrangements thereunder (i.e., the issuance of long-term serial bonds); and

WHEREAS, the Village would like to expand the current wastewater treatment facility to handle such increased flow to the facility; and

WHEREAS, due to an expansion in the scope of the project, the Village Board of Trustees wishes to modify the Original Bond Resolution for the primary purposes of increasing: a) the estimated maximum cost of the project from \$4,788,980 to \$5,725,000 and b) the amount of serial bonds authorized to be issued from \$4,788,980 to \$5,725,000, and to make other modifications to the Original Bond Resolution as may be consistent with law;

WHEREAS, the Village Board of Trustees now wishes to amend and restate (in its entirety) the Original Bond Resolution for the reasons identified above, and to make other modifications to the Original Bond Resolution as may be consistent with law; and

NOW THEREFORE,

BE IT RESOLVED, by the Village Board of Trustees of the Village (by the favorable vote of not less than two-thirds of all the members of the Board) as follows:

SECTION 1. The Village is hereby authorized to undertake a sewer system capital improvements project primarily at the wastewater treatment facility, such work to include, but not be limited to, the conversion of the existing contact stabilization tanks into sequential batch reactors and the installation of new grit removal equipment, aeration blowers, sludge digester blowers, automatic mechanical bar screen, sludge/digester tank, sludge pumps, influent and effluent piping, manholes, ultraviolet disinfection equipment, control system and construction of an addition to each existing sludge storage building and various improvements to the existing buildings throughout the facility as well as other improvements more fully identified in a report prepared with the assistance of Clark Patterson Lee, and including all preliminary work and necessary equipment, materials, and site work and all preliminary costs and costs incidental thereto and in connection with the financing thereof (collectively, the "Purpose"). The amended estimated maximum cost of the Purpose is \$5,725,000.

SECTION 2. The Village Board of Trustees plans to finance the estimated maximum cost of the Purpose by the issuance of serial bonds in an aggregate amount not to exceed \$5,725,000 of the Village, hereby authorized to be issued therefor pursuant to the Local Finance Law, said amount to be offset by any federal, state, county and/or local funds received. Unless paid from other sources or charges, the cost of such improvements is to be paid by the levy and collection of taxes on all real

property in the Village to pay the principal of said bonds and the interest thereon as the same shall become due and payable.

SECTION 3. It is hereby determined that the Purpose is an object or purpose described in subdivision 4 of paragraph (a) of Section 11.00 of the Local Finance Law, and that the period of probable usefulness of the Purpose is 40 years.

SECTION 4. Current funds are not required to be provided prior to the issuance of the bonds authorized by this resolution or any notes issued in anticipation of the sale of such bonds.

SECTION 5. It is hereby determined the proposed maturity of the obligations authorized by this resolution will be in excess of five years.

SECTION 6. The faith and credit of the Village are hereby irrevocably pledged for the payment of the principal of and interest on such bonds (and any bond anticipation notes issued in anticipation of the sale of such bonds) as the same respectively become due and payable. An annual appropriation shall be made in each year sufficient to pay the principal of and interest on such bonds or notes becoming due and payable in such year. Unless paid from other sources or charges, there shall annually be levied on all the taxable real property of the Village a tax sufficient to pay the principal of and interest on such bonds or notes as the same become due and payable.

SECTION 7. Subject to the provisions of this resolution and of the Local Finance Law, pursuant to the provisions of Section 30.00 relative to the authorization of the issuance of bond anticipation notes or the renewals of such notes and of Section 21.00, Section 50.00, Sections 56.00 to 60.00, Section 62.00 and Section 63.00 of the Local Finance Law, the powers and duties of the Village Board of Trustees pertaining or incidental to the sale and issuance of the obligations herein authorized, including but not limited to authorizing bond anticipation notes and prescribing the terms, form and contents and details as to the sale and issuance of the bonds herein authorized and of any bond anticipation notes issued in anticipation of such bonds, and the renewals of such notes, are hereby delegated to the Village Treasurer, the chief fiscal officer of the Village. Without in any way limiting the scope of the foregoing delegation of powers, the Treasurer, to the extent permitted by Section 58.00(f) of the Local Finance law, is specifically authorized to accept bids submitted in electronic format for any bonds or notes of the Village.

SECTION 8. The temporary use of available funds of the Village, not immediately required for the purpose or purposes for which the same were borrowed, raised or otherwise created, is hereby authorized pursuant to Section 165.10 of the Local Finance Law, for the purpose or purposes described in Section 1 of this resolution. The Village then reasonably expects to reimburse any such expenditures (to the extent made after January 27, 2015 (or within 60 days prior thereto) with the proceeds of the bonds authorized by Section 2 of this resolution (or with the proceeds of any bond anticipation notes issued in anticipation of the sale of such bonds). This resolution shall constitute a reaffirmation of the Village's original declaration (dated January 27, 2015) of its "official intent" to reimburse the expenditures authorized by Section 2 hereof with such bond or note proceeds, as required by United States Treasury Regulations Section 1.150-2.

SECTION 9. The Village Treasurer is further authorized to take such actions and execute such documents as may be necessary to ensure the continued status of the interest on the bonds authorized by this resolution, and any notes issued in anticipation thereof, as excludable from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and may designate the bonds authorized by this resolution, and any notes issued in anticipation thereof, as "qualified tax-exempt bonds" in accordance with Section 265(b)(3) of the Code.

SECTION 10. The Village Treasurer is further authorized to enter into a continuing disclosure agreement with the initial purchaser of the bonds or notes authorized by this resolution, containing provisions which are satisfactory to such purchaser in compliance with the provisions of Rule 15c2-12, promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934.

SECTION 11. The Village has complied with applicable federal, state and local laws and regulations regarding environmental matters, including compliance with the New York State Environmental Quality Review Act ("SEQRA"), comprising Article 8 of the Environmental Conservation Law and, in connection therewith, duly issued a negative declaration and/or other applicable documentation, and therefore, no further action under the State Environmental Quality Review Act is necessary.

SECTION 12. To the extent applicable, the Village Treasurer is hereby authorized to execute and deliver in the name and on behalf of the Village a project financing agreement prepared by the New York State Environmental Facilities Corporation ("EFC") (the "SRF Project Financing Agreement"). To the extent applicable, the Village Treasurer and the Village Clerk and all other officers, employees and agents of the Village are hereby authorized and directed for and on behalf of the Village to execute and deliver all certificates and other documents, perform all acts and do all things required or contemplated to be executed, performed or done by this resolution or any document or agreement approved hereby, including, but not limited to, the SRF Project Financing Agreement.

SECTION 13. In the absence or unavailability of the Village Treasurer, the Deputy Treasurer is hereby specifically authorized to exercise the powers delegated to the Village Treasurer in this resolution.

SECTION 14. The validity of such serial bonds or of any bond anticipation notes issued in anticipation of the sale of such serial bonds may be contested only if:

1. (a) such obligations were authorized for an object or purpose for which the Village is not authorized to expend money, or

(b) the provisions of the law which should be complied with as of the date of publication of this notice were not substantially complied with

and an action, suit or proceeding contesting such validity is commenced within 20 days after the date of such publication of this notice, or

2. such obligations were authorized in violation of the provisions of the Constitution of New York.

SECTION 15. This Resolution is subject to permissive referendum pursuant to Section 36.00 of the Local Finance Law. The Village Clerk is hereby authorized and directed to publish (one time) and post (in at least six conspicuous public places within the Village and at each polling place), this resolution, or a summary thereof, together with a notice of adoption of this resolution subject to permissive referendum, within ten days after the date of adoption of this resolution.

SECTION 16. If no petitions are filed in the referendum period, the Village Clerk is hereby authorized and directed to publish this resolution, or a summary thereof, together with a notice in substantially the form provided by Section 81.00 of the Local Finance Law, in the official newspaper(s) of the Village, or if no newspaper(s) have been so designated, then in a newspaper having a general circulation in the Village, and hereby designated as the official newspaper of the Village for such publication.

SECTION 17. Nothing in this amendment shall affect the validity of the Original Bond Resolution, or any actions taken thereunder, and any such actions are hereby ratified.

The motion was passed upon the following vote:

<b>VOTE</b>							
Mayor Jay May	X	Yes		No		Abstain	Absent
Trustee Andy Koerner	X	Yes		No		Abstain	Absent
Trustee Jim McGarvey	X	Yes		No		Abstain	Absent
Trustee Ken Rule	X	Yes		No		Abstain	Absent
Trustee Donna Schiener	X	Yes		No		Abstain	Absent
<b>VOTE TOTAL:</b>							
	5	Yes	0	No	0	Abstain	Absent
<b>RESULTS</b>							
	X	<b>PASS</b>				<b>FAIL</b>	

**WATER BUDGET**

The water budget is balanced and it does include a rate increase. Superintendent of Public Works Kilburn discussed different options for raising the water rate. The options include increasing only the base rate, increasing only the usage rate or a combination of them. It was determined the increase in the base rate in the amount of \$2.10 per account would be the best option. The BAN, which was used to pay for the water main transmission line upgrade, will begin a repayment schedule in the next fiscal year. Superintendent of Public Works Kilburn discussed different scenarios for adding an employee to the water department due to the long term leave of absence of the current water department foreman. A new water employee must be employed for one year prior to taking the licensing tests.

**SEWER BUDGET**

The sewer budget is balanced and also includes a rate increase. The rate increase will be a combination of increasing the base rate as well as the usage rate. This will be the second rate increase in a series of three to help pay for the upgrade and expansion of the Waste Water treatment plant. The project is scheduled to begin in the spring of 2016.

**ELECTRIC BUDGET**

The electric budget is balanced. The various projects planned for the coming year were discussed.

**ADJOURN**

There being no further business to come before the Board the meeting duly adjourned at 7:04 pm upon motion by Trustee McGarvey and seconded by Trustee Rule.

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Clerk/Treasurer