

**MINUTES OF THE SPECIAL MEETING OF
THE TOWN BOARD OF THE TOWN OF NEW LEBANON
HELD ON JANUARY 21, 2020**

Present: Tistrya Houghtling, Supervisor
Jesse Newton, Councilmember
Norman Rasmussen, Councilmember
Deborah Gordon, Councilmember
John Trainor, Councilmember

Recording Secretary: Marsha “Marcie” Robertson, Town Clerk

Others Present: Jeff Winestock, Highway Superintendent
Kevin Smith Sr., NL Rep to Emergency Mgmt. & CC Traffic
Safety Council

CALL TO ORDER:

The special meeting was called to order at 2:00pm by Supervisor Houghtling.

HIGHWAY GRADER:

Supervisor Houghtling stated that she spoke to the bond attorney. She was told we were not supposed to authorize the purchase of the highway grader without the bond resolution. The attorney told Supervisor Houghtling to contact Attorney Tingley as far as what to do. A motion needs to be made amending the prior motion made at last Tuesday’s meeting that accepted the bid on the basis that a mistake of procedure was made, make the bid award contingent on adoption of and subject to terms of the bond resolution and then we can adopt the bond resolution.

Supervisor Houghtling stated before doing this she wanted to go over a couple of different options. For the bond resolution it either had to be five years or ten years, with the ten year bond, we can do anything under ten years. We can do a seven or eight year loan, these bond resolution are ten year bonds because the five year bond was a little steep on the annual payment. A seven year bond is a 1.89% interest rate, an eight year bond is a 1.99% interest rate and a ten year bond is 2.19% interest rate. The \$162,900 is with the \$3,000 for the bond council. We have \$20,000 in the budget in DA-9950.9 for the highway grader, so if we put that \$20,000 down, we are financing \$142,900. Estimated with those interest rates on a seven year bond, it would be about \$23,000 a year and on an eight year it would be \$20,500 a year. Once we pass the bond resolution the bank will give us exact options. We can’t do anything after we pass this until thirty days. Then we will have the option to enter into financing. So today is not deciding the term of the loan, this is just stating up to ten years of a bond. Once those thirty days have past, then we will have from the bank exact payment and interest rate amounts and then we can decide from there.

Councilmember Trainor stated that we aren't committing to a ten year today. Supervisor Houghtling stated that we are not committing to a ten year bond but by passing the ten year bond resolution, we can do up to ten years. So we can do anything in between five and ten. She just wanted to have an idea of what those would look like. They only thing we have to decide today is are we putting the \$20,000 down or not. There are two different bond resolutions in your packet because if we put the \$20,000 down we are only doing a bond for \$142,900 versus \$162,900. Highway Superintendent Winestock stated that he thinks we had planned on taking the \$20,000 out with the resolution. Supervisor Houghtling stated that there were just a few things missing from the resolution, like the account code. Councilmember Gordon asked if there was any reason not to apply the \$20,000. Supervisor Houghtling stated not that she could think of. Supervisor Houghtling did include in the board packets the past bonds because she was wondering why the bond payments would be so high. The past bonds that we took out were for \$82,000 and \$50,000, so the cost of this is already so much higher, we've never had to do permissive referendum or go more then five years because the prior bonds have been lesser amounts. If we can do the \$20,000 down and get it down to the \$142,900 Supervisor Houghtling thinks that's the way to go.

Councilmember Trainor stated that he thinks they discussed that but didn't officially approve it. Councilmember Newton stated the other thing that they discussed was selling the existing grader, the Champion, and whatever they get for it could be put towards the new grader. Supervisor Houghtling stated that one thing that's important to note as well is that the current two bonds that we have, have payments this year and next year. This new bond for the grader wont have a payment until next year, so we won't have to worry about this year's budget, but for 2021, we will then have three bond payments whereas our budget typically has two. Councilmember Newton's idea, which Supervisor Houghtling thinks is a great idea, if we get \$20,000 or \$25,000 for the existing Champion grader, we can actually earmark that for 2021's payment, so that in 2022 we are back to two payments, so that the budget stays neutral. Councilmember Newton asked if you can make balloon payments on a bond? Supervisor Houghtling stated she did not know the answer to that.

Supervisor Houghtling stated that everyone is in agreement that we are doing the bond for the highway grader with \$20,000 down, so that will be the first resolution. It will be resolution number ten.

Supervisor Houghtling made a motion to modify the motion adopted at the January 14th, 2020 meeting making the bid award contingent on adoption of and subject to the terms of the bond resolution on the basis that a mistake of procedure was made. The motion was seconded by Councilmember Newton.

Roll Call Vote:

Councilmember Rasmussen -	Aye
Councilmember Gordon -	Aye
Supervisor Houghtling -	Aye
Councilmember Newton -	Aye
Councilmember Trainor -	Aye

Supervisor Houghtling stated that because she already sent the letter of intent to Pittsfield Lawn and Tractor (PLT) nothing has to change there, because all we are doing is modifying that motion. We still have the intent to purchase it, it's just subject to those terms.

BOND RESOLUTION:

TOWN OF NEW LEBANON
RESOLUTION NO. 10

BOND RESOLUTION DATED JANUARY 21, 2020

A RESOLUTION AUTHORIZING THE ACQUISITION OF A 2015 JOHN DEERE MOTOR GRADER FOR HIGHWAY PURPOSES AT AN ESTIMATED MAXIMUM COST OF \$162,900, THE ISSUANCE OF SERIAL BONDS OF THE TOWN OF NEW LEBANON, COLUMBIA COUNTY, NEW YORK, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$142,900 PURSUANT TO THE LOCAL FINANCE LAW TO FINANCE A PORTION OF THE COST THEREOF, PROVIDING THAT THIS RESOLUTION SHALL BE SUBJECT TO A PERMISSIVE REERENDUM AND DELEGATING CERTAIN POWERS IN CONNECTION THEREWITH TO THE TOWN SUPERVISOR

BE IT RESOLVED, by the Town Board of the Town of New Lebanon in the Town of New Lebanon, Columbia County, New York (the "Town") (by the favorable vote of not less than two-thirds of all of the members of the Board) as follows:

SECTION 1. The acquisition of a 2015 John Deere motor grader for highway department purposes is hereby authorized at an estimated maximum cost of \$162,900, and said amount is hereby appropriated therefor. It is hereby determined that said purpose is an object or purpose described in subdivision 35 of paragraph a of Section 11.00 of the Local Finance Law, and that the period of probable usefulness of said purpose is ten years.

SECTION 2. It is hereby determined that the aforesaid purpose constitutes a Type II action as defined under the State Environmental Quality Review Regulations, 6 NYCRR Part 617, which has been determined under SEQR not to have a significant impact on the environment.

SECTION 3. The Town Board plans to finance a portion of the cost of said purpose by the issuance of serial bonds of the Town in an amount not to exceed \$142,900, hereby authorized to be issued therefor pursuant to the Local Finance Law. The remaining cost of the project is expected to be financed from other available funds.

SECTION 4. It is hereby determined that the proposed maturity of the obligations authorized by this resolution

will be in excess of five years from the original date of issuance of such obligation.

SECTION 5. 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 said bonds.

SECTION 6. 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 for the purpose for which said bonds are authorized. This resolution shall constitute a statement of official intent for purposes of Section 1.150-2 of the Treasury Regulations.

SECTION 7. 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 Local Finance Law. The faith and credit of the Town are hereby irrevocably pledged for the payment of the principal of and interest on said 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 said bonds becoming due and payable in such year. There shall annually be levied on all the taxable real property of the Town a tax sufficient to pay the principal of and interest on said bonds as the same become due and payable.

SECTION 8. Subject to the terms and contents of this 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 this resolution and the renewals of said notes and the power to prescribe the terms, form and contents of said serial bonds, and said 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, the power to determine to issue said bonds as statutory installment bonds, and the power to sell and deliver said serial 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 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 9. The Town Supervisor 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 to designate the bonds authorized by this resolution and any notes issued in anticipation thereof as "qualified tax-exempt bonds" for purposes of Section 265(b)(3)(B)(i) of the Code.

SECTION 10. Within ten days after the adoption of this resolution, the Town Clerk is hereby authorized and directed to cause to be published at least once in the in The Eastwick Press and The Register Star, each being a newspaper having a general circulation in the Town and hereby designated as the official newspapers of the Town, and to be posted on the sign board of the Town maintained pursuant to the Town Law, a notice which shall set forth the date of adoption of this resolution and contain an abstract thereof, concisely stating its purpose and effect and specifying that this resolution was adopted subject to a permissive referendum.

SECTION 11. This resolution shall take effect thirty days after adoption, unless there shall be filed with the Town Clerk a petition signed and acknowledged by the electors of the Town qualified to vote upon a proposition to raise and expend money, in number equal to at least five percentum of the total vote cast for governor in the Town at the last general election held for the election of State offices, protesting against this resolution and requesting that the matter be submitted to the qualified electors of the Town at a referendum in the manner provided by Article Seven of the Town Law.

SECTION 12. The validity of said serial bonds or of any bond anticipation notes issued in anticipation of the sale of said serial bonds may be contested only if:

- (1) Such obligations are authorized for an object or purpose for which the City is not authorized to expend money; or
- (2) The provisions of law which should be complied with at the date of the publication of this resolution 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

- (3) Such obligations are authorized in violation of the provisions of the Constitution of New York.

SECTION 13. Upon the effective date hereof, the Town 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 Eastwick Press and the Register Star, each being a newspaper having a general circulation in the Town and hereby designated as the official newspapers of the Town for such publication.

SECTION 14. This resolution shall take effect immediately.

A special meeting of the Town Board of the Town of New Lebanon, Columbia County, New York was convened in public session at the Town Hall, 14755 Route 22 North, New Lebanon, New York, on January 21, 2020 at 2:00 p.m., local time.

The meeting was called to order by Supervisor Houghtling, and, upon roll being called, the following members were:

PRESENT:

Tistrya Houghtling	Supervisor
Deborah Gordon	Member
Jesse Newton	Member
Norman Rasmussen	Member
John Trainor	Member

The following persons were ALSO PRESENT:

Marcie Robertson, Town Clerk

Jeffrey Winestock, Highway Superintendent
Kevin Smith Sr., NL Rep to Emergency Management & NL Rep to CC Traffic Safety Council

The following resolution was offered by Councilmember Newton, seconded by Supervisor Houghtling, to wit;

TOWN OF NEW LEBANON
RESOLUTION NO. 10

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

Tistrya Houghtling	VOTING AYE
Deborah Gordon	VOTING AYE
Jesse Newton	VOTING AYE
Norman Rasmussen	VOTING AYE
John Trainor	VOTING AYE

The foregoing resolution was thereupon declared duly adopted.

ADJOURNMENT:

Supervisor Houghtling made a motion to adjourn the special meeting at 2:12pm. Councilmember Trainor seconded that motion.

Respectfully submitted,

Marcie Robertson
New Lebanon Town Clerk