

TOWN BOARD MEETING
TOWN HALL, MAHOPAC, N.Y.

A Regular Meeting of the Town Board of the Town of Carmel was called to order by Supervisor Kenneth Schmitt on the 3rd day of October 2012 at 7:08 p.m. at Town Hall, 60 McAlpin Avenue, Mahopac, New York. Members of the Town Board present by roll call were: Councilman Schneider, Councilman Lupinacci, Councilwoman McDonough, Councilman Lombardi and Supervisor Schmitt.

The Pledge of Allegiance to the Flag was observed prior to the start of official business and a moment of silence was observed to honor those serving in the United States Armed Forces.

MINUTES OF TOWN BOARD MEETING HELD ON 9/5/12 - ACCEPT AS SUBMITTED BY THE TOWN CLERK

On motion by Councilman Lupinacci, seconded by Councilman Lombardi, with all members of the Town Board present and voting “aye”, the minutes of the Town Board meeting held on September 5, 2012 were accepted as submitted by the Town Clerk.

MAHOPAC VOLUNTEER FIRE DEPARTMENT - ADDITION TO THE ACTIVE LIST AUTHORIZED

RESOLVED that the Town Board of the Town of Carmel hereby authorizes the addition of the following names to the active list of the Mahopac Volunteer Fire Department:

Matthew Rusinko, Mahopac, NY

Resolution

Offered by: Councilman Schneider
Seconded by: Councilman Lombardi

<u>Roll Call Vote</u>	<u>YES</u>	<u>NO</u>
Jonathan Schneider	<u>X</u>	<u> </u>
John Lupinacci	<u>X</u>	<u> </u>
Suzanne McDonough	<u>X</u>	<u> </u>
Frank Lombardi	<u>X</u>	<u> </u>
Kenneth Schmitt	<u>X</u>	<u> </u>

NATIONAL FRIENDS OF LIBRARIES WEEK DECLARED - 10/21/12 THROUGH 10/27/12

WHEREAS, Friends of Mahopac Public Library raises money that enables the Mahopac Public Library to provide resources for additional programming, equipment, childrens’ reading programs and special events throughout the year; and

WHEREAS, the efforts of the Friends of Mahopac Public Library reinforces the importance of the Mahopac Public Library in the Town of Carmel community and provides opportunities for all to utilize its vast resources; and

WHEREAS, the Friends of Mahopac Public Library is mindful of the importance of well-funded libraries and advocates to ensure that the Mahopac Public Library obtains the resources it requires to provide the wide variety of services to community residents of all ages; and

WHEREAS, the gifts of the Friends of Mahopac Public Library in providing their time and commitment to the Mahopac Public Library sets a positive example for all in demonstrating the effects of volunteerism for the benefit of the community;

NOW THEREFORE BE IT RESOLVED that the Town Board of the Town of Carmel hereby designates the week of October 21, 2012 through October 27, 2012 as Friends of Libraries week in the Town of Carmel, NY.

(Cont.)

Resolution
Offered by: Councilman Lombardi
Seconded by: Councilman Lupinacci

<u>Roll Call Vote</u>	<u>YES</u>	<u>NO</u>
Jonathan Schneider	<u>X</u>	<u> </u>
John Lupinacci	<u>X</u>	<u> </u>
Suzanne McDonough	<u>X</u>	<u> </u>
Frank Lombardi	<u>X</u>	<u> </u>
Kenneth Schmitt	<u>X</u>	<u> </u>

Supervisor Schmitt acknowledged the Mahopac Public Library and the Reed Memorial Library for the many outstanding services that they provide to the community.

CARMEL SEWER DISTRICT #7 REGULATORY UPGRADE PROGRAM - SIGNING OF CONTRACT AMENDMENT #1 TO PROFESSIONAL SERVICES AGREEMENT WITH O'BRIEN & GERE ENGINEERING AUTHORIZED

WHEREAS the Town Board has been advised that O'Brien & Gere Engineering is seeking an increase in the Construction Phase Budget for design services during construction rendered in connection with the Carmel Sewer District #7 Regulatory Upgrade Program; and

WHEREAS, Town Engineer Ronald Gainer, P.E., has recommended that the Town of Carmel Town Board approve the proposed increased engineering costs in the amount of \$231,925.00 so that same may be submitted to the New York State Environmental Facilities Corporation for further approval and for funding;

NOW, THEREFORE, BE IT RESOLVED that the Town Board of the Town of Carmel hereby authorizes the Town Supervisor to sign Contract Amendment #1 in form as attached hereto and made a part hereof, for submission to NYS Environmental Facilities Corp.

Resolution
Offered by: Councilman Lupinacci
Seconded by: Councilman Schneider

<u>Roll Call Vote</u>	<u>YES</u>	<u>NO</u>
Jonathan Schneider	<u>X</u>	<u> </u>
John Lupinacci	<u>X</u>	<u> </u>
Suzanne McDonough	<u> </u>	<u>X</u>
Frank Lombardi	<u>X</u>	<u> </u>
Kenneth Schmitt	<u>X</u>	<u> </u>

Client No. 5556

AMENDMENT
NO. 1
Of
PROFESSIONAL SERVICES AGREEMENT
Between
CARMEL SEWER DISTRICT NO. 7
And
O'BRIEN & GERE ENGINEERS, INC.
In Connection With
Implementation of the Wastewater Treatment Plant Regulatory Upgrade

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(Cont.)

WHEREAS, the Carmel Sewer District No.7 ("Owner"), a municipal improvement district of the Town of Carmel, with offices at Town Hall, 60 McAlpin Avenue, Mahopac, NY 10541 and O'Brien & Gere Engineers, Inc. ("O'Brien & Gere" and "Engineer") a professional engineering firm with offices at 22 Saw Mill River Road, Hawthorne, NY 10532 entered into a certain Agreement dated March 15, 2005, and

WHEREAS, Owner and O'Brien & Gere now wish to amend said Agreement.

NOW THEREFORE, In consideration of the mutual covenants and agreements contained herein, Owner and O'Brien & Gere agree for themselves, their successors and assigns to amend the Agreement of March 15, 2005 as follows:

1. Additional Scope of Work:
 - a. Additional onsite construction inspection for the period of November 2010 to March 2012.
 - b. Additional design services during construction (DSDC) for the period of February 2009 to March 2012.
 - c. Additional onsite inspection and DSDC for the period of April 2012 to construction project closeout in August 2012.
2. Additional Compensation is \$231,925, as per attached New York City Watershed Upgrade Program NYCDEP Authorization for Engineering Contract Cost Amendment. See attached revised Engineering Budget Form for updated project funding.

Except as hereby amended the Agreement of March 15, 2005 remains unchanged and in full force and effect.

H:\Carmel-T 5556\3655n Carmel-Sd-7-St... AGREE\TBR#2_CA#1\Revision#3\Agreement\Amendment No. 1_CSD#7.doc

In witness whereof, the parties have each caused this Agreement to be executed by a duly authorized officer or representative.

CARMEL SEWER DISTRICT NO. 7 OF THE TOWN OF CARMEL

By: _____ (Sign)

Name: Kenneth Schmitt (Print)

Title: Town Supervisor

Signed this day: _____

O'BRIEN & GERE ENGINEERS, INC.

By:  (Sign)

Name: Lowell A. Kachalsky (Print)

Title: Vice President

Signed this day: July 26, 2012

H:\Carmel-T 5556\3655n Carmel-Sd-7-St... AGREE\TBR#2_CA#1\Revision#3\Agreement\Amendment No. 1_CSD#7.doc

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**New York City Watershed Upgrade Program
NYCDEP Authorization for Engineering Contract Cost Amendment**

WWTP/Project Name: Carmel Sewer District No. 7 Amendment No. 1

Owner Name: Town of Carmel Date: July 16, 2012

Current Approved Engineering Contract Amount (Regulatory & SPDES): \$833,405.49

Proposed Additional Engineering Costs (see summary table below): \$231,925.00

Additional Engineering Costs Proposed								Totals
Description of Additional Cost	Task 2.1	Task 2.2	Task 2.3	Task 2.4	Task 2.5	O&M	Allotments	
Extended Construction Duration				\$231,925.00				\$231,925.00
								\$0.00
								\$0.00
								\$0.00
								\$0.00
								\$0.00
Subtotals	\$0.00	\$0.00	\$0.00	\$231,925.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Additional Engineering Costs Proposed								\$231,925.00

NYCDEP Authorized Amended Engineering Contract Amount: \$1,065,330.49

Current Upgrade Contract Contingency: \$463,585.00

Proposed Additional Engineering Costs: \$231,925.00

Remaining Upgrade Contract Contingency After Engineering Amendment: \$231,660.00

Approved by NYCDEP: [Signature]

07/16/12
Date

**REGULATORY UPGRADE PROGRAM
ENGINEERING PROJECT BUDGET**

Carmel Sewer District No. 7 - SPDES: NY0029017

I. BASIC SERVICES

A. Planning Fees

	Direct Labor	Subcontract Expenses	Direct Expenses	Not-To-Exceed Cost Total
Task 2.1 - Study and Report Phase	\$38,918.76	\$8,450.00	\$1,000.00	\$48,368.76
Planning Fees Total	\$38,918.76	\$8,450.00	\$1,000.00	\$48,368.76

B. Design Fees

	Direct Labor	Subcontract Expenses	Direct Expenses	Not-To-Exceed Cost Total
Task 2.2 - Preliminary Design Phase	\$196,177.00	\$11,000.00	\$2,755.00	\$209,932.00
Task 2.3 - Bidding or Negotiation Phase	\$26,331.56	\$440.00	\$9,100.00	\$35,431.56
Design Fees Total	\$222,508.56	\$11,440.00	\$11,855.00	\$245,363.56

(Cont.)

REGULATORY UPGRADE PROGRAM
ENGINEERING PROJECT BUDGET
Carmel Sewer District No. 7 - SPDES: NY0029017

C. Construction Fees

	Direct Labor	Subcontract Expenses	Direct Expenses	Not-To-Exceed Cost Total
Task 2.4 - Construction Phase	\$432,607.70	\$42,800.00	\$16,240.00	\$491,647.70
Task 2.5 - Operational/Performance Testing Phase	\$4,318.11	\$17,500.00	\$500.00	\$22,318.11
Construction Fees Total	\$436,925.81	\$60,300.00	\$16,740.00	\$513,965.81
BASIC REGULATORY SERVICES NOT-TO-EXCEED TOTAL				\$807,698.13

REGULATORY UPGRADE PROGRAM
ENGINEERING PROJECT BUDGET
Carmel Sewer District No. 7 - SPDES: NY0029017

II. ADDITIONAL SERVICES AND ALLOTMENTS

The following additional services and allotment tasks shall be commenced by the Engineer only upon written authorization and written approval from the Owner and the New York City Department of Environmental Protection.

	Direct Labor	Subcontract Expenses	Direct Expenses	Not-To-Exceed Cost Total
Task 3 - Subsurface Investigations and Analysis (design fees)	\$0.00	\$0.00	\$0.00	\$0.00
Allotment 1	\$0.00	\$0.00	\$0.00	\$0.00
Allotment 2				
Allotment 3				
Allotment 4				
ADDITIONAL SERVICES NOT-TO-EXCEED TOTAL				\$0.00
BASIC REGULATORY SERVICES NOT-TO-EXCEED TOTAL				\$807,698.13
BASIC SPDES SERVICES NOT-TO-EXCEED TOTAL				N/A
TOTAL NOT-TO-EXCEED CONTRACT AMOUNT				\$807,698.13

CARMEL SEWER DISTRICT #2 SEWER TREATMENT PLANT - ENTRY INTO ORDER ON CONSENT AUTHORIZED - NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION

WHEREAS the New York State Department of Environmental Conservation has proposed an Order on Consent addressing and remediating certain violations at Carmel Sewer District #2 Sewer Treatment Plant concerning the storage of bulk chemicals at said plant; and

WHEREAS, the Town Engineer had advised that the Town of Carmel has already met and/or is able to meet the proposed milestone dates for Compliance Activity scheduled in the proposed Order on Consent;

NOW, THEREFORE, BE IT RESOLVED that the Town Board of the Town of Carmel hereby authorizes entry into the Order on Consent in form as attached hereto and made part hereof, and

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BE IT FURTHER RESOLVED that the Town Supervisor Kenneth Schmitt is hereby authorized to execute said Order on Consent and any necessary documentation related thereto.

Resolution

Offered by: Councilwoman McDonough
Seconded by: Councilman Lupinacci

Roll Call Vote	YES	NO
Jonathan Schneider	X	
John Lupinacci	X	
Suzanne McDonough	X	
Frank Lombardi	X	
Kenneth Schmitt	X	

STATE OF NEW YORK
DEPARTMENT OF ENVIRONMENTAL CONSERVATION
X_____X
In the Matter of the Violation of Article 40
of the New York State Environmental
Conservation Law by:

ORDER ON CONSENT
CASE No. R3-20120503-51

Town of Carmel Sewer District #2,

Respondent.

(Putnam County)
X_____X

WHEREAS:

1. The New York State Department of Environmental Conservation ("DEC" or "Department") is responsible for the administration and enforcement of law and regulation pursuant to Article 40 of the New York State Environmental Conservation Law ("ECL").
2. Respondent Town of Carmel Sewer District #2 ("Respondent") owns and/or operates a Chemical Bulk Storage facility (CBS #3-000339), which is located at 11 Old Route 6, Carmel, New York 10512 (the "facility").
3. On December 14, 2011 the Department documented violations at Respondent's facility. Specifically, Respondent violated:
 - A. 6 NYCRR Section 596.2(a)(2), which requires that registration of stationary storage tanks be renewed every two (2) years from the date of the last valid registration until the Department receives written notice that the storage tank has been permanently closed or that ownership of the storage tank has been transferred. Registration is required for any tank storing a hazardous substance which has the following total capacity: aboveground stationary storage tanks with a capacity of 185 gallons or greater and/or underground storage tanks of any capacity, and/or out-of-service storage tanks which have not been permanently closed. On the date of the inspection Department staff documented that the tanks were unregistered and therefore inaccurate due to Respondent's failure to timely renew the registration. The registration for Respondent's tanks 003, 004, 5A, and 6A expired on March 25, 2011 and the renewal was processed on January 10, 2012. Respondent had operated without proper registration of over 9 months.
 - B. 6 NYCRR Section 598.1(k)(1), which requires the owner or operator of any facility to prepare and maintain a Spill Prevention Report for preventing and responding to spills, releases and accidents at the facility, as well as to update the report at least annually or when a significant release occurs or a substantial modification is made. On the date of the inspection Department staff documented that compliant Spill Prevention Reports have not been updated annually.
 - C. 6 NYCRR Section 598.7(c)(2), which requires that an owner or operator conduct comprehensive annual inspections of the aboveground storage tank system. On the date of the inspection Department staff documented that Respondent failed to conduct comprehensive annual inspections of tanks 003, 004, 5A, and 6A. Specifically, both the annual visual inspections and the compliance review had not been performed in the manner consistent with the requirements of 6 NYCRR Section 598.7(c)(2).

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NEW YORK DEPARTMENT OF ENVIRONMENTAL CONSERVATION
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D. 6 NYCRR Section 598.7(d)(1), which requires that an owner or operator inspect aboveground piping systems and all above ground tanks every five years from the date of initial inspection. On the date of the inspection Department staff documented that Respondent failed to conduct the 5-year inspections of tanks 003, 004, 5A, and 6A.

E. 6 NYCRR Section 599.17(c), which requires that transfer of hazardous substances must take place within a transfer station which is equipped with a permanently installed secondary containment system. On the date of the inspection Department staff documented that Respondent failed to install a transfer area secondary containment system.

4. ECL Section 71-4303 provides for a civil penalty of up to \$25,000 for each violation of ECL Article 40 or any rule or regulation promulgated thereunder.

NOW, having considered this matter and being duly advised, it is ORDERED that:

1. Civil Penalty.

Respondent is hereby assessed a civil penalty in the amount of Twenty thousand (\$20,000.00) dollars for the violations herein described, of which Seven thousand, five hundred (\$7,500.00) Dollars is payable and must be submitted with this Order bearing the signature of the Respondent. The remaining amount, Twelve thousand, five hundred (\$12,500.00) Dollars is hereby suspended provided Respondent strictly adheres to the terms and conditions of this Order, including the Compliance Schedule, attached hereto.

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STANDARD PROVISIONS

Payment. Any penalty assessed pursuant to the terms and conditions of the Order shall be paid by submitting a certified or cashier's check or money order payable to the New York State Department of Environmental Conservation, with the Consent Order Number noted. If Respondent fails to make any payment by the date due, or Respondent shall otherwise be in non-compliance with this Order, the entire penalty amount remaining outstanding shall then become due and payable.

Communications. Except as otherwise specified in this Order, any reports submissions, and notices herein required shall be made to: Regional Engineer, Environmental Compliance Program, Department of Environmental Conservation - Region 3 Headquarters, 21 South Platt Corners Road, New Paltz, NY 12561.

Effective Date. This Order shall take effect when it is signed by the Regional Director, as the authorized representative of the Commissioner of Environmental Conservation, or his designee.

Access. For the purpose of monitoring or determining compliance with this Order, employees and agents of the Department shall be provided access to any facility, site, or records owned, operated, controlled or maintained by Respondent, in order to inspect and/or perform such tests as the Department may deem appropriate to copy such records, or to perform any other lawful duty or responsibility.

Force Majeure. If Respondent cannot comply with a deadline or requirement of this Order, because of an act of God, war, strike, riot, catastrophe, or other condition which was not caused by the negligence or willful misconduct of Respondent and which could not have been avoided by the Respondent through the exercise of due care, Respondent shall immediately notify the Department in writing, when it obtains knowledge of any such condition and shall request an appropriate extension or modification of the provisions hereof; Respondents will adopt all reasonable measures to prevent or minimize any delay.

Indemnity. Respondent shall indemnify and hold the Department, the State of New York, their representatives, employees, agents and contractors harmless for all claims, suits, actions, damages and costs, of every nature and description, resulting from the acts and/or omissions of Respondent, intentional, negligent, or otherwise, of every nature and description, arising out of or resulting from the compliance or attempted compliance with the provisions of this Order by Respondent or its employees, servants, agents, successors (including successors in title) or assigns.

Modifications. No change in this Order shall be made or become effective except as specifically set forth by written order of the Commissioner.

Reservation of Rights. Nothing contained in this Order shall be construed as barring, diminishing, adjudicating or in any way affecting (1) any legal, administrative or equitable rights or claims, actions, suits, causes of action or demands whatsoever that the Department may have against anyone other than Respondent; (2) any right of the Department to enforce administratively or at law or in equity, the terms, provisions and conditions of this Order; (3) any right of the Department to bring any future action, either administrative or judicial, for any other violations of the ECL, the rules and regulations promulgated thereunder, or conditions contained in orders or permits, if any, issued by the Department to Respondent; (4) the summary abatement powers of the Department, either at common law or as granted pursuant to statute or regulation.

Entire Agreement. This Order shall constitute the entire agreement of the Department and Respondent with respect to settlement of the violations specifically referenced herein.

Binding Effect. The provisions, terms, and conditions of this Order shall be deemed to bind Respondent, Respondent's heirs, legal representatives, receivers, trustees in bankruptcy, successors and assigns.

Service. If Respondent is represented by an attorney with respect to the execution of this Order, service of a duly executed copy of this Order upon Respondent's attorney by ordinary mail shall be deemed good and sufficient service.

Multiple Respondents. If more than one Respondent is a signatory to this Order, use of the term "Respondent" in these Standard Provisions shall be deemed to refer to each Respondent identified in the Order.

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Dated: New Paltz, New York
_____ 2012

JOSEPH J. MARTENS
Commissioner
Department of Environmental Conservation

By: _____
WILLIAM C. JANEWAY
Regional Director

CONSENT BY RESPONDENT

Respondents hereby consent to the issuance and entry to this Order without further notice, waive its right to a hearing in this matter and in any matter that may arise under the terms of this Order, and agree to be bound by the terms, conditions and provisions of this Order. The undersigned represent and affirm that they have the legal authority to bind Respondents to the terms and conditions of this Order.

Title: _____

STATE OF NEW YORK)
) ss:
COUNTY OF _____)

On the _____ day of _____, 2012, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies) as shown in the instrument, and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

NOTARY PUBLIC

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COMPLIANCE SCHEDULE

RESPONDENT IS REQUIRED TO SELF-CERTIFY TIMELY COMPLETION OF EACH OF THE ACTIVITIES REQUIRED BY THIS SCHEDULE.

1. **Cease & Desist:** Respondent(s) shall immediately cease and desist from any and all future violations of the New York State Environmental Conservation Law and the rules and regulations enacted pursuant thereto.

2. **Self-certification:** Respondent(s) shall submit to DEC, within fifteen (15) days of each milestone date set forth in this Schedule of Compliance, a signed statement certifying that the work required was completed by that date, and that the work was done in the manner required by this Order.

Submission of the required certification shall be considered an affirmative representation by the Respondent of the truth of its contents. Any false statement made therein shall be punishable pursuant to Section 210.45 of the Penal Law, and as may be otherwise authorized by law.

Failure to submit a required certification by the due date shall be a violation of this Order, and shall establish a legal presumption that the Respondent has failed to comply with that requirement of the Schedule.

(Cont.)

All documents which Respondent(s) must submit pursuant to this Order are subject to Department approval. All submittals required by this Order, which shall include and original paper copy and two (2) complete electronic copies in “.pdf” format on two (2) CDs shall be submitted to:

Environmental Compliance Program, Department of Environmental Conservation – Region 3
21 South Putt Corners Road New Paltz, New York 12561-1620

Please reference Case No. R3-20120503-51 on all submissions.

3. Remedial Activities and Milestones: Respondent(s) shall timely perform the activities set forth below in a good and workmanlike manner and supply all required labor, equipment and materials at Respondent’s own cost and expense.

Within 10 days of the effective date of this order:

- 1. Respondent shall renew the CBS registration.

Within 30 days of the effective date of this order:

- 2. Respondent shall develop the site specific SPR pursuant to 6 NYCRR 598.1(k) including the tank life expectancies and compliance review check list.
- 3. Respondent shall conduct annual inspection of tanks 003, 004, 5A, and 6A in accordance with 6 NYCRR 598.7(c), including a site specific checklist of applicable sections of the regulations, and correct any deficiencies within 30 days of discovery of such deficiencies.
- 4. Respondent shall submit a design to install a permanent transfer area secondary containment system in accordance with 6 NYCRR599.17(c).

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Within 60 days of the effective date of this order:

- 5. Within 60 days of the effective date of this order, Respondent shall conduct 5-year inspection of tanks 003, 004, 5A, and 6A in accordance with 6 NYCRR 598.7(d) including an explicit certification of the expected useful life of the tank and piping system by the inspector.

VARIOUS WATER DISTRICT GENERATORS - CHANGE ORDER #2 TO CONTRACT #C216 AUTHORIZED - D. OWENS ELECTRIC, INC.

WHEREAS Town Engineer Ronald J. Gainer, P.E., has recommended that the Town Board approve Change Order #2 to the Various Water District Generators, Contract#216 with D. Owens Electric, Inc. in the overall additive amount of \$110,460.00 be approved;

NOW, THEREFORE, BE IT RESOLVED that the Town Board of the Town of Carmel hereby approves Change Order #2 to Contract #216 with D. Owens Electric, Inc. in the overall additive amount of \$110,460.00, concerning CWD#4, CWD#8, CWD#14 and Carmel Town Hall, and hereby authorizes Town Supervisor Kenneth Schmitt to sign said change order in form as attached hereto and made a part hereof.

Resolution

Offered by: Councilman Schneider
Seconded by: Councilman Lupinacci

Roll Call Vote	YES	NO
Jonathan Schneider	X	
John Lupinacci	X	
Suzanne McDonough	X	
Frank Lombardi	X	
Kenneth Schmitt	X	

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(Cont.)

Ronald J. Gainer, P.E.
Town Engineer



(845) 628-1500
(845) 628-2087
Fax (845) 628-7085

Office of the Town Engineer
60 McAlpin Avenue
Mahopac, New York 10541

CHANGE ORDER No. 2

PROJECT: Generators at Various Water Districts DATE OF ISSUANCE: May 31, 2012
OWNER: TOWN OF CARMEL
CONTRACTOR: D. Owens Electric, Inc.
ENGINEER: Town of Carmel Engineering Department
PROJECT NO: C216

You are hereby directed to make the following changes in the Contract Documents.

Description: See attached description of work scope (D. Owens May 31, 2012 letter)

Purpose of Change Order: To provide generators at Town Hall, Water District No. 4, Water District 8 (Crest Road Booster Station), and address additional work required at Water District No. 14 (extension of fence) and Water District 6/Tomahawk Creek (incoming service work directed by NYSEG)

Attachments: (List documents supporting change)

1. May 31, 2012 proposal letter from D. Owens Electric, Inc.

CHANGE IN CONTRACT PRICE:

Original Contract Price
\$ 413,820

CHANGE IN CONTRACT TIME:

Original Contract Time
\$ 180
days or date

Previous Change Orders No. 1 to No. —

\$ 13,710

Net change from previous Change Orders

- 0 -
days

Contract Price prior to this Change Order

\$ 427,530

Contract Time Prior to this Change Order

N/A (base Contract work completed)
days or date

Net Increase (decrease) of this Change Order

\$ 110,480

Net Increase (decrease) of this Change Order

90 days from authorization of CO #2
days

Contract Price including this Change Order

\$ 537,990

Contract Time including this Change Order

270
days or date

RECOMMENDED:

By [Signature]
Engineer
6/4/12

APPROVED:

By
Owner

ACCEPTED:

By [Signature]
Contractor
6/4/12

D. OWENS ELECTRIC, INC.

925 Route 6
Mahopac, NY 10541
845 628-1208

May 31, 2012

Town of Carmel
McAlpin Avenue
Mahopac, NY 10541
Attn. Please: Ron Gainer

Re: Town Hall Generator

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We are providing the following quote for additional work contract C0217 various generators
Town of Carmel

Red Mills District 14

- Remove portion of existing fence and extend fencing to house generator \$1,725.00

Tomahawk Creek District 6

- Replace electric service meter and raise height and install new main service switch as required by NYSEG \$3,575.00

Crest Tank Water District #8

- Reconfigure generator supplied by Town from 208 to 240 volts
- Excavation and concrete pad
- Auto transfer switch
- Fence
- Block heater and battery charger
- Crane and transportation of generators to site and pad mount \$23,230.00

Water District #4

- Reconfigure generator supplied by Town from 208 to 240 Volts
- Excavation and concrete pad
- Auto transfer switch
- Fence
- Block heater and battery charger
- Crane and transportation of generator to sight and pad mount \$24,030.00

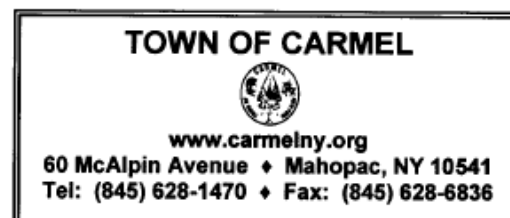
Town Hall

- 800 amp auto transfer switch
- Excavation/concrete pad; cut and patch black top
- Fence
- Crane to set generator
- 350 gallon double wall fuel tank; NYSDEC Compliant; Installed at site
- All labor and material for electrical work to connect generator to building service \$57,900.00

PRESENTATION OF TENTATIVE BUDGET FOR FISCAL YEAR 2013 TO TOWN BOARD

Ann Spofford, Town Clerk, presented copies of Supervisor Schmitt's 2013 Tentative Budget to the Town Board as filed in the Office of the Town Clerk on September 28, 2012. Supervisor Schmitt then delivered his 2013 Tentative Budget Message.

Office of the Supervisor
Kenneth Schmitt



SUPERVISOR'S 2013 TENTATIVE BUDGET MESSAGE

Good evening ladies and gentlemen, members of the Town Board, residents of the Town of Carmel. As required by Town Law of the State of New York, I hereby submit the Tentative Budget for the Town of Carmel for Fiscal Year 2013.

As the Town of Carmel and our entire nation continues to cope with the ongoing economic and fiscal challenges that have created tremendous hardships for many of our residents and business owners, rest assured that I, along with my colleagues on the Carmel Town Board, will continue to be fiscally responsible stewards of your tax dollars. The Town Board and I are committed to exploring and seeking all possible cost cutting initiatives in an effort to reduce the Town's overall operating expenditures thus providing tax relief for our residents and property owners.

Looking forward, the most significant challenges are not only balancing the needs of the community, but also responding to the continued economic conditions. To meet the challenges, the Town must anticipate necessary expenditures and create efficiencies to ensure that service delivery is equitable, fair and at a reasonable cost. The Town must create a prudent financial plan that reflects the vision and values of the people of the Town of Carmel.

3 OCTOBER 2012
TOWN BOARD MEETING

(Cont.)

The 2013 town wide operating budget has been particularly challenging due to significantly increasing costs. Low and declining revenues and unfunded mandates both on the State and Federal levels have created substantial budget difficulties. The Town's largest source of revenue, Mortgage Tax, has remained very low due to the weak and stagnant housing market. Since 2008, the Town has experienced major increases in NYS Pension Plan contributions, health insurance premiums have increased steadily. These along with premium increases for Workers Compensation Insurance have had a significant impact on the Budget. For example, in the 2013 Budget, the costs for Pension Plan, FICA, Medicare, MTA Tax, Workers Compensation and Health Insurance account for 29 cents out of every dollar.

It is important to note that the 2013 Budget was prepared without utilizing any monies from the Town's Reserve Fund Balance. This is significant because recently the Town's finances were reviewed by Moody's, a Financial Rating Agency. Although Moody's confirmed the Town's AA1 Bond rating, a negative outlook was added to the Town's Bond rating. What does this mean? The negative outlook reflects the trend of deteriorating fund balances, and lower

reserve levels. The Town's rating going forward will depend on management's ability to stabilize the Town's finances without further deterioration in operations.

Town of Carmel Tentative Budget 2013 Major Spending Increases:

Benefits- Health Insurance/Dental

\$375,800.00 = 13% increase from the 2012 Budget

Retirement

\$342,000.00 = 16% increase from the 2012 Budget

Workers Compensation Insurance Policy

NYMIR- Insurance Premium Increase (**Driven by*

injury claims experience and settlements, Workers

Comp Insurance premiums have jumped dramatically.

In the past two years, almost a 90% increase. In 2010,

The premium amount paid was \$512, 771 in 2011, the

Town of Carmel paid \$729,488. In 2012, the Town of Carmel

will be paying \$976,630, a 33.9% increase from the 2011

Policy)

\$ 19,532.00 = 2% increase from the 2012 Budget

New Debt Service Expense (General Highway)

\$224,500.00 = 16% increase from the 2012 Budget

Total Major Spending Increase

\$961,832.00

Total Town Wide Tax Increase for 2013

8.7%

The 2013 Tentative Budget reflects an 8.7% increase in the Town wide tax rate. The Town wide taxes for the typical homeowner assessed at \$216,000 will be a \$125 increase over the 2012 Budget.

In Summary: The 2013 Budget was perhaps the most difficult and challenging process by all those involved. Unpleasant decisions, perhaps unpopular ones, had to be made. The Town of Carmel is committed to providing its residents with a continued level of professional service while remaining cognizant of the extremely difficult economic times.

In closing, my sincere thanks to Town Comptroller, Mary Ann Maxwell, my office staff, Anne Pasquerello and Bella Cimadomo, along with other elected officials, department heads and managers for their diligence and assistance during the preparation of this document.

Lastly, I would like to express my thanks to the residents of the Town of Carmel and those affected by the budget cuts for their patience and understanding as we move forward through these difficult economic times that we are all living in.

Respectfully submitted this 30th day of September, 2012



Kenneth Schmitt,
Supervisor, Town of Carmel

2013 TENTATIVE BUDGET FINANCIAL SUMMARY - PRESENTATION

Mary Ann Maxwell, Town Comptroller detailed the following presentation:

TOWN OF CARMEL
2013 Tentative Budget

- Tax Levy vs. Tax Rate
- 2013 Budget Overview
- Moody’s Review / Multi-Year Financial Plan
- 2013 Budgeted Appropriation/Revenues
- Grant Funding / Fund Balances
- Typical Homeowner Annual Tax Bill Analysis

Tax Levy vs. Tax Rate

- Property Tax Levy is the total amount of money to be raised by taxes to cover the cost of providing services to the public.
- The annual levy is calculated by taking the Town’s total annual expenditures less any revenues and/or appropriated fund balance equity.

Expenditures

- Revenues

+(-) Appropriated Fund Balance

= Property Tax Levy

Tax Levy vs. Tax Rate

- The annual Tax Rate is determined by dividing the total amount of the property tax levy by the total taxable assessed value of a town or special district.

Property Tax Levy / Taxable Assessed Value

= Annual Tax Rate
- The taxable assessed value is determined annually by the Town Assessor.
- The town wide taxable assessed value used for the 2013 Budget is 2,642,509,380, a decrease of approximately \$14 Million from the 2012 taxable assessed value.

Tax Levy vs. Tax Rate

2013 Tentative Budget – Townwide (General/Highway)

Tax Levy	
Expenditures	\$24,181,776
(Revenues)	(4,496,582)
Comp Abs Reserve	<u>60,000</u>
Property Tax Levy	\$19,745,194
Tax Rate	
Property Tax Levy	\$19,745,194 /
Taxable Assessed Value	<u>2,642,509,380</u>

* 2013 Annual Tax Rate Increase 8.7%

* Represents tax % increase on rate from prior year

2013 Tentative Budget

- Townwide (General/Highway) - the average homeowner (\$216,800 assessed value) would pay approximately \$1,614 per year (an increase of \$125) from the prior year.
- Approximately \$7,062,303 is budgeted in 2013 for **Employee Benefit Costs**. This includes Pension Costs, Workers Comp Ins, Health Benefit Cost, FICA/Med/MTA Tax. Next year the town will pay approximately \$0.29 cents on every dollar to fund the benefit costs of town wide employees and retirees.

(Cont.)

MOODY’S REVIEW

- Last month Moody’s confirmed the Town’s **Aa1** Bond rating with a *negative outlook*.
“The revision of the outlook reflects the trend of deteriorating fund balances and lower reserve levels. The direction of the rating going forward will hinge upon management’s ability to stabilize the town’s finances”.
- **Fund Balances** have deteriorated substantially since 2007 from \$8.2M to \$3.1M for Fiscal Year End 2011.
- \$0 Fund Equity is being appropriated in 2013 Tentative Townwide Budget.

MULTI-YEAR FINANCIAL PLANNING

- The Town Comptroller and Town Board are currently working on a **4 Yr Multi-Year Financial Plan**.
- This plan covers a nine year period, going back four years to 2008, and projecting revenues, expenditures and fund equity through the year 2016.
- Based on a preliminary look at this plan, unless revenues increase, the Town would need to **continue increasing taxes** over the next few years in order to fund current staff levels and continue to provide the services currently offered.

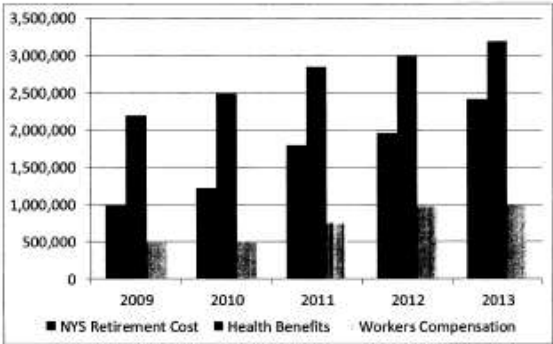
MULTI-YEAR FINANCIAL PLANNING

- A Multi-Year Capital Plan to include a Vehicle Replacement Plan for Police Cars and Highway Machinery & Equipment is also being discussed.
- Six new highway trucks were purchased this year, which we will be required to pay interest on in 2013.
- Purchased new Vac All Truck at no cost to the taxpayers for **\$250,000** through NYCDEP/East of Hudson Watershed Protection Funding.
- Purchased used 2009 bucket truck for \$115,000 in excellent condition for use by our Town Highway Tree Crew. If purchased new the cost for this truck would have been \$250,000.

2013 Tentative Budget

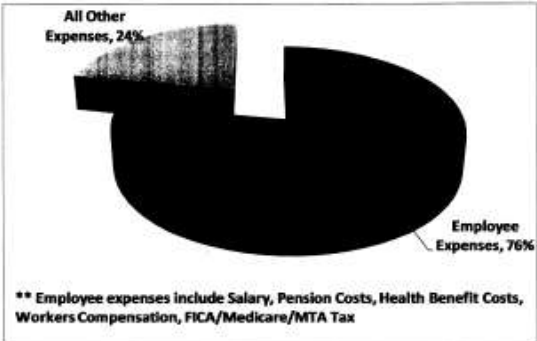
- **Unfunded State/Federal Mandates** (MTA Mobility Tax, MS4 Federal Clean Water Act/Mandatory Regs.)
- **Increasing Employee Benefits:**
 - * Health Insurance Costs increased 13%.
 - * Pension Contributions increases 16% (**ERS 20.8%, PFRS 28.1% of salary**)
 - * Workers Comp Rates increased an additional 2% for 2013 and approx. 90% over the past 3 years.
- **New Debt Service** – 2013 New Debt Payments from Highway Drainage/Resurfacing/Machinery Capital Borrowings.
- **Continued Declining Revenues** (State aid, Mortgage Tax Revenue, etc.)
- **Negotiations ongoing** with unions CSEA-2010, Lieutenants-2010, IBT-2011, PBA -2012.

Employee Benefits Cost Increases
2009-2013

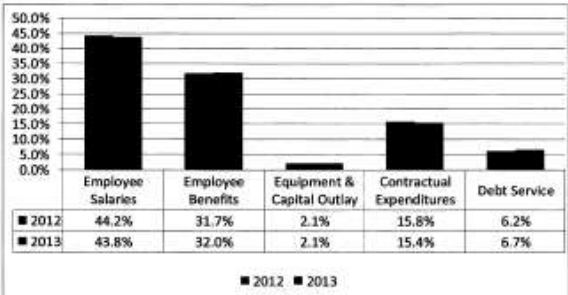


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General & Highway Expenditures
by Type



SUMMARY OF APPROPRIATIONS
AND OTHER USES



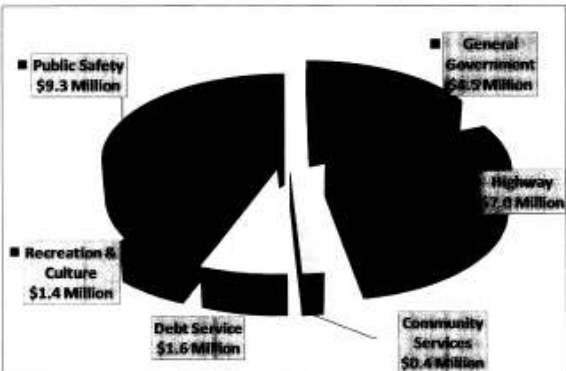
2013 Tentative Budget

- 12 Fewer Full Time Positions through attrition from 2009 replaced with PT staff (cost savings of \$707,511).
- One vacancy in the police department (position to be left vacant in 2013).
- **Outsourcing field maintenance** at certain recreational facilities resulting in cost savings.
- Purchasing of **used equipment** through an internet auction website.
- Liquidation of all obsolete surplus equipment.

2013 Tentative Budget

- **Installation of new backup generators** at Town Hall and various water districts.
- Continue **joint purchasing** effort with Putnam County.
- **Discretionary spending** with regard to all purchases.
- Ongoing **shared services** with MCSD.

Total 2013 Appropriations
by Fund \$24,181,776



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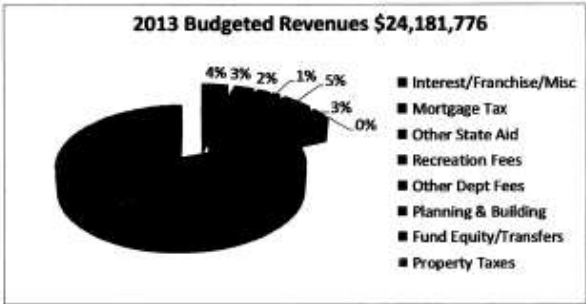
Recent/Future Grant Funding

- **NY Power Authority \$100,000 Grant /NYSERDA Funding \$41,000** for Installation of solar panels on the roof of the Town Hall reducing utility expense by approx. \$5,000 per year.
- Purchased new Vac All Truck through **NYCDEP/East of Hudson Watershed Protection Funding.**
- **NYS Multi Modal Grant \$100,000** to fund pedestrian safety improvements/upgrades for the Mahopac Business District.
- Received **\$28,000 Grant to install handicap accessible doors** to comply with ADA Regulations
- Received a **\$30,000 Federal Grant** to purchase new bullet proof vest for the Police Dept.

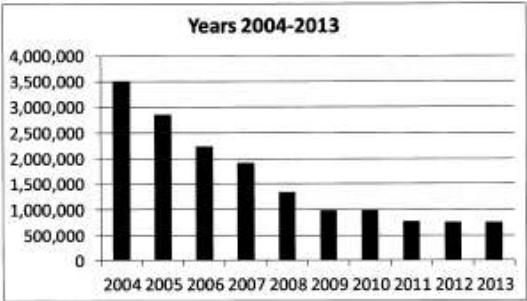
Summary of Revenues and Other Sources

- Budgeted Local Revenues decreased slightly for FYE 2013.
- State and Federal Aid continues to **decline** from 7.6% in 2011, 5.4% in 2012 and 5.2% in 2013.
- \$0 Fund Equity is being appropriated in 2013 Townwide Budget
- *Real Property Taxes* continues to *increase* to offset expenditures and declining revenues. Approx. 82% of revenues generated in the 2013 is Real Property Taxes.

Carmel Townwide Budgeted Revenues for Fiscal Year 2013



Mortgage Tax Revenue History



Snow Removal History
(Budget vs. Actual Expense)

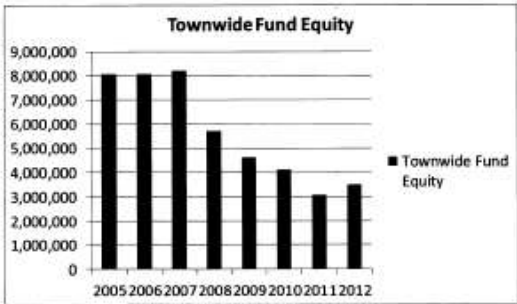
Year	Budgeted Amount	Actual Expense	\$ Over/Under
2009	\$967,347	\$1,309,723	(\$342,376)
2010	\$1,041,791	\$1,212,436	(\$170,645)
2011	\$1,110,060	\$1,219,827	(\$109,767)
2012	\$1,226,686	\$902,973ytd	\$323,713
2013	\$1,207,077	???	???

(Cont.)

Why We Need a Healthy Fund Balance

- Cash Flow
- Unexpected Expenses (snow removal, certiorari settlements)
- Under Budgeted Expenses.
- To Finance Capital Projects
- **Better Bond Rating** which results in lower interest rates.
- Last month Moodys confirmed **Aa1** Bond rating with negative outlook.

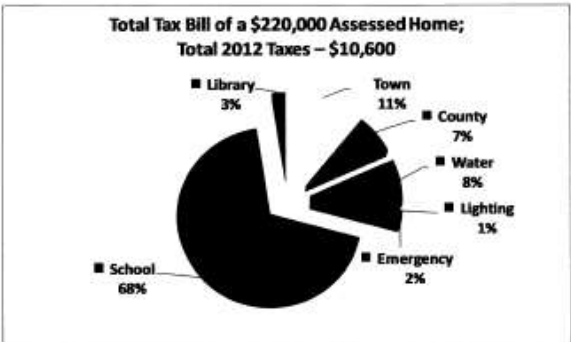
Town of Carmel
Decreasing Fund Equity



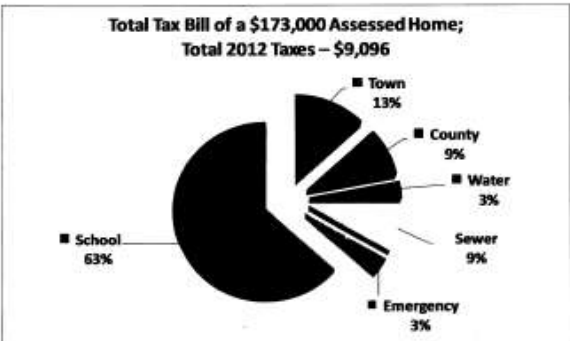
2013 Special District Budgets

- Approved a **\$2.2 Million** dollar water main replacement project for **CWD #8**. Construction to begin shortly. Will be required to pay interest on debt in 2013.
- Currently reviewing the **Water Rents** the Town charges which have not been increased since 2003. Many rates will increase which will result in many taxes decreasing. Currently approximately 60-80% of our expenditures in the Water Districts are funded through taxes not water rents.
- Most of the **Special Districts Assessed Values** used to prepare the 2013 Budget have decreased due to certiorari settlements, small claims and corrections of errors on assessments.
- Many **special district taxes will increase** due to the decrease in assessed value from the prior year.

Total Tax Bill for Homeowner in Mahopac
Central School District



Total Tax Bill for Homeowner in Carmel
Central School District



(Cont.)

What's NOT Included in 2013 Budget

- Tax Certiorari Settlements
- New Capital Projects & Repairs (Highway & Special Districts)
- Road Paving (beyond CHIPS)
- Snow Removal Overages
- Funding for Townwide Property Revaluation

Questions/Answers

- If anyone has any questions or concerns regarding the 2013 budget or clarification on the difference between the tax levy vs. the tax rate please feel free to stop by the Comptroller's Office or call at (845) 628-1500 ext 175.

Mary Ann Maxwell
Town Comptroller
Town of Carmel

Councilwoman McDonough requested clarification with regard to the \$.4 million Community Services budget line listed under the Total 2013 Appropriations by Fund.

Ms. Maxwell explained that it includes the various boards serving the Town, cemetery repair, museum expenses as well as the salary and benefits of a recycling employee. She added that it also includes funding to the American Legion, Veterans of Foreign Wars and the Garden Club.

Councilman Lombardi commended Supervisor Schmitt and Ms. Maxwell for their hard work with regard to the 2013 Tentative Budget. He acknowledged Ms. Maxwell's informative PowerPoint presentation.

Councilman Lombardi went on to express his frustration with New York State's 2% property tax cap and exorbitant unfunded mandates. He spoke regarding his efforts to cut expenditures during the course of his tenure on the Town Board. Councilman Lombardi concluded that the Town Board will continue to work on the 2013 Budget and when adopted, it will be fair to the public and will provide a positive financial outlook for the Town.

Ms. Maxwell stated that the annual review of the User Fee Schedule has commenced and upon her recommendation, now coincides with the budget process in an attempt to locate areas to increase revenue.

Councilman Lupinacci pointed out that the proposed 8.7% increase does not apply to the total property tax bill. It applies only to the 11% paid in connection with the Town's portion.

Supervisor Schmitt added that the school's portion of a property tax bill amounts to approximately 68%. He commented that although he is not particularly happy with a tax increase of 8.7%, he is comfortable with it because it is a realistic Budget. Supervisor Schmitt spoke regarding the budget process and encouraged the public to weigh in on it.

Councilman Lupinacci addressed the importance of public participation throughout the budget process.

Supervisor Schmitt announced that copies of his 2013 Tentative Budget and Ms. Maxwell's PowerPoint presentation will be available in the Town Clerk's office as well as online at the Town of Carmel's Website.

3 OCTOBER 2012
TOWN BOARD MEETING

PUBLIC COMMENTS - AGENDA ITEMS

No member of the public wished to comment at this time.

TOWN BOARD MEMBER COMMENTS - AGENDA ITEMS

No member of the Town Board wished to comment at this time.

OPEN FORUM - PUBLIC COMMENTS

Anita Olivier inquired if all Town Board members were aware of a complaint made with regard to the Town of Carmel's lack of compliance with Americans with Disabilities Act (ADA) regulations.

Supervisor Schmitt indicated that they were all aware of the complaint. He went on to provide an update with regard to renovations to the Town Hall building currently under way to bring the facility into compliance with ADA standards which include new remote doors and handicap accessible bathrooms. Supervisor Schmitt apologized for any perceived delays.

Ms. Olivier commented that residents may not be attending Town Board meetings because they feel that the Town Board is already in agreement about every issue.

Supervisor Schmitt stated that the Town Board does disagree from time to time. Discussion ensued.

Ms. Olivier commented that when viewing the Town Board meetings on cable television, the public has no indication when the meetings have taken place. She suggested time stamping the videos of future meetings.

Councilman Lombardi replied that the issue could be easily rectified.

OPEN FORUM - TOWN BOARD MEMBER COMMENTS

Supervisor Schmitt announced that the Carmel Town Hall will be closed on October 8, 2012 in observance of Columbus Day.

Supervisor Schmitt announced that there will be a guided bus tour of Carmel's most interesting and historical cemeteries on October 20, 2012 beginning at 10:00 a.m. Further information may be obtained from Brian Vangor, Town Historian at carmelhistorian@gmail.com.

Councilman Lupinacci provided an update with regard to the prospect of town wide garbage collection. He indicated that the advertising for bids for the contract has commenced, a pre-bid meeting was held and the bid opening will be conducted on October 17, 2012.

Supervisor Schmitt spoke regarding the recent Lake Mahopac Garden Club flower show which was held at Sycamore Park. He commended the members for their outstanding designs and horticulture as well as for all that they do to beautify the community.

Supervisor Schmitt acknowledged the Italian American Club of Mahopac for their efforts with regard to the Putnam County Columbus Day parade and their annual Evening at the Piazza event. He also recognized the Greater Mahopac-Carmel Chamber of Commerce with regard to their annual street festival which was held in conjunction with the parade.

3 OCTOBER 2012
TOWN BOARD MEETING

ADJOURNMENT

All agenda items having been addressed, on motion by Councilman Lombardi, seconded by Councilwoman McDonough and Councilman Lupinacci, with all Town Board members present and in agreement, the meeting was adjourned at 8:19 p.m. to Executive Session to discuss a matter of personnel with the Town's legal labor counsel as well as a Lieutenants Union negotiation update from Councilmen Lombardi and Lupinacci.

Respectfully submitted,

Ann Spofford, Town Clerk