RED HOOK TOWN BOARD MEETING
December 2, 2008

PUBLIC HEARING – Highway Garage

A Public Hearing of the Town Board of the Town of Red Hook, Dutchess County, New York was convened in public session at the Town Hall, 7340 South Broadway, Red Hook at 7:45 p.m.

Present:	Supervisor Sue Crane
	Councilwoman Micki Strawinski
	Councilman Harry Colgan
	Councilman Robert Latimer
	Town Clerk Sue McCann
Absent:	Councilman James Ross
Also Present:	Attorney for the Town Christine Chale

Supervisor Crane opened the Public Hearing regarding the proposed Town Highway Garage by reading the public notice. She then opened the Public Hearing for comments.

Councilman Colgan brought up that the public notice refers to the SEQRA process and the public hearing on the agenda says Highway Garage bond. They are two very different things.

Attorney Chale clarified that the Public Hearing Notice is what goes to the public, and it identifies what the Public Hearing is about. She doesn't understand the concern.

Councilman Colgan is concerned about the way the agenda is worded. It says Highway Garage "bond".

Attorney Chale said the Public Hearing Notice is what governs.

Councilman Colgan is concerned about the word "bond" on the agenda.

Supervisor Crane asked anyone who has the agenda to cross out the word "bond".

Dick Franklin thinks it is very important to put this garage issue to bed. It belongs where it is. If we put a garage in a proposed area which is in violation of the DEC and is probably an EPA Superfund site, we'll be placing our employees in harm's way. That is in direct violation of OSHA. It's time we put our employees first instead of other individuals ideas of where they want things at the expense of the community. Its present location is key because our traffic runs through the center of Town. Our emergency services come from the center of Town, our firehouse is right here, and all of these roads have to be made available immediately. We do need a Town Garage. Mr. McKeon wants $3 million for more green space. We're going to have a hard time paying the $1.78 million that we already owe. We do need the Town Garage. I don't care about the increase in value of commercial property; I care about our Town and the community at large.

Alfred Buff is concerned about the economic and environmental impact of the proposed project. The proposed site is located in the center of the Village of Red Hook which is an ideal location for small commercial development. His major concern is the impact on the groundwater. It affects not only the Village water, but his and his neighbors as well. His concern is that if the groundwater gets polluted it is very expensive to correct. Before going into an Environmental Impact Statement which is going to be costly, he recommends contacting the Department of Environmental Conservation, their water drinking expert, the Health Department and the USDA.

Brenda Cagle read a statement from the Conservation Advisory Council. They thanked the Board for pursuing the full Environmental Assessment Form for the Town Highway Garage Project. They do have concerns about the location however the Highway Superintendent has shown them the secondary containment facilities for fuel storage and has discussed with them the DEC requirements for same. They are pleased that the project has been registered with NYSERDA in their New Construction Program. They ask that a CAC member be included in the meetings and e-mail correspondence with the Technical Assistant appointed by NYSERDA. They also asked that shared facilities be considered. The CAC would like the Town to utilize the

"best management practices" especially when considering such aspects of the design as storm water management. For example, a model bioretention area by parking sites might be considered. Most of the CAC members have fiscal concerns about the project. Given the economic climate, this is not the time to spend this much money and they suggest that a delay of a few months until our economic future is clearer should be considered.

Linda Keeling is glad to see that the Planning Board will review the site plan and that solar and geothermal aspects are being considered. She's pleased to see there will be trees planted so there will be screening between the two building sites, and the redirection of the truck traffic off of Route 9. It will be better to keep the recycling center where it is rather than relocate off site. She would like to see a picnic area at the proposed facility.

Patrick Kelly brought up the air quality tests that were done a few months ago. The first portion of that testing came back clear and they said they would conduct a second test in the colder weather. He asked about the plans for conducting that second testing.

Supervisor Crane said as far as she knows it was scheduled for yesterday or today.

Highway Superintendent Wayne Hildenbrand said it was conducted today. Right now they are testing for radon, CO and CO2.

Patrick Kelly asked if the Planning Board will review the project.

Supervisor Crane said that has not been determined.

Patrick Kelly agreed with Mr. Buff's comments especially concerning the potential for commercial revenue. There is a real lack of commercial properties in this Town and it should be tied in with municipal buildings. The aquifer issue is also very important. He mentioned that the Town of Ancram is going through a similar process and right now the estimate they have is a fraction of ours. They are using what is called "Sprung Structure" and asked if our Board has considered that as an option.

Supervisor Crane said she can discuss that with the engineers.

Pete Hubbell was shocked when he saw the $2.75 million for the facility. He pulled out cost estimates and said based on his calculations, you can put up a 13,000 square foot building for under $1 million dollars and a salt shed for under $100,000. To spend $2.75 million is ill advised. Non residential construction is down in the last six months and he feels we can get better prices if we submit the bids. He strongly recommends the Board send back the plans to scale them back especially in this economic climate.

Larry Thetford said with our current economic situation, there are a lot of individuals who have to cut back on their expenditures. We have to control expenditures and he does not think this is the time to invest in a capital expenditure. He asked to wait a year to a year and a half. These types of projects consistently have overrides and asked the Board to keep that in consideration.

Kathy Stewart asked what the actual numbers are for the garage.

Supervisor Crane said that after the Public Hearing there will be a presentation. She turned the meeting over to Ray Jurkowski from Morris Associates to lead a discussion about the proposed facility. There will be time for additional comments.

Ray Jurkowski gave a Power Point presentation and asked everyone to keep in mind that this is a concept plan. They are working with the Town Board to look at the options with respect to the existing site. They've also dealt with the Highway Department with respect to their needs including the building for the salt storage. He began with the history of the Highway Garage. It was built in the 1960's on the current location and has been in continuous service since then. The benefit of this location is that it is centrally located, easy access to Route 9 which provides quick response to various areas within the Town itself. The salt storage facility was built in the mid 90's and the Highway Department has continuously taken measures with respect to questions or concerns regarding contamination. Right now they are implementing "best management" practices with respect to used oil. With respect to petroleum products, that

material is located in a double wall tank facility to protect from anything entering the ground. All Highway operations are performed at the current site so that means all of the trucks, main office, salt storage and the material storage. The proposed construction would be constructing a new facility located to the rear of the existing parcel owned by the Town. It will be located on the same parcel which extends from Route 9 back to a newly constructed connector road that discharges to Firehouse Lane. By placing the proposed building to the back, the existing one would be demolished, we would be able to increase the aesthetics of the area by providing a landscaped buffer. It would consist of approximately 13,000 square feet, it is going to be a metal building, the access will be off the new connector road and there will be a small gated access to the Town Hall facility in cases of emergency. With respect to the salt storage facility, the current one will be demolished and the new facility will be a coverall system. They propose to relocate the existing fuel storage has currently been upgraded. As far as the site itself, a schematic has been provided for a vision of the site potential. He explained that the Town Hall would remain as is, with the removal of the Highway Garage, it provides for additional green space. There is a potential for an additional building. They moved the 13,000 square foot Highway Garage to the rear of the parcel, they provided the location for the salt storage, parking, and provided for material storage as well. Most importantly they provided for a visual buffer, a green space with tree planting to separate the Town Hall facility to the garage facility. They are mainly dealing with the back portion of the parcel, not necessarily the front portion with the exception of demolition of the building. There is the proposed access way that would be gated. One question that has come up time and time again is the issue of the groundwater contamination to the Village of Red Hook water supply. With respect to the existing facility, the salt storage building was built in the 90's. The approximate location of the new salt storage will be located just a little further to the north. You would have the existing garage, Firehouse Lane, the existing Fire Department, then the water company. There is a pump house with a water tank to the rear. Mr. Jurkowski referred to an area where, until recently, the Village has had numerous well sites located. He showed on his presentation where all the wells prior to 2001 were located. In 2001 the Village of Red Hook developed two additional wells located off their site in addition to a subdivision. It basically moved those wells and the water source closer to the existing sand/salt storage facility. The development of those wells as well as the placing of those wells was reviewed by the Department of Environmental Conservation as well as the Dutchess County Department of Health prior to allowing them to go on line. Testing was done and there were no maximum contaminant levels that were violated. In the Summer of 2001 those wells were allowed to go on line. With respect to the Village water supply, the Village actually moved the wells closer than they were previously and the Department of Health as well as the New York State Department of Environmental Conservation had the opportunity to and did review those wells.

Councilwoman Strawinski asked how far away the current garage is from those two wells, Well #12 and Well #13.

Ray Jurkowski responded that he had it roughly 650 feet but the actual is 680 feet. With respect to the salt storage, it would be roughly the same, about 650 feet, the Highway Garage would be slightly closer by approximately 100 feet, so roughly 550 feet. With respect to NY State Department of Health regarding the separation distance, they obviously recognize the concern as far as protecting well heads and specifically public water supply. In their documented data, the NYS Department of Health recommends a separation distance of 450 feet from a shallow well to an uncovered salt storage facility and a minimum of 300 feet to a covered salt storage facility. The proposed salt storage facility will meet their criteria. There is no separation to a Highway Facility. In response to a question from Councilwoman Strawinski, Mr. Jurkowski said the criteria are not changing. There is criteria change between a 100 foot and a 200 foot minimum but as it pertains to salt storage. That is based on the latest data. He spoke to Jim DiNapoli from the Dutchess County Department of Health who deals with the Town of Red Hook and Village of Red Hook. He did not indicate any changes.

Rosemarie Zengen asked who reviewed the possible water contamination issue.

Ray Jurkowski responded New York State Department of Health, Dutchess County Department of Health, and the State Department of Environmental Conservation are the agencies who are required to review.

Rosemarie Zengen stressed there was no problem with contamination at all?

Mr. Jurkowski responded none that he is aware of. They review those wells prior to allowing them to be placed on line. The distances he provided were specifically for shallow wells. If they were deeper wells the separation distances would be reduced.

Mr. Jurkowski moved on to the fiscal impact. The current anticipated construction costs are $2.75 million dollars. That includes the construction costs, the hard costs of the building, also contingencies (budgeted 10% for that), engineering, legal and bonding costs. They've done exercise with respect to the potential financing of it with the Town Attorney, Bond Counsel and also Sal Pennini who handles some municipal bonding in the area to obtain some of the rates. The recommendation is that if the Town goes for the $2.75 million for planning purposes a 5% rate for 30 years would be appropriate. They've maximized the term of that and much of it depends on the type of building. A metal building can go out as long as 30 years and a wood structure building gets reduced to 15 years. While you do pay that back quicker, your yearly costs actually escalate.

Kathy Stewart said she spoke to her "Wall Street connection" who told her there are no bonds. How are you going to marry this idea into the actuality of what's going on at Wall Street right now.

Attorney Chale explained that the Board had a presentation by Sal Pennini, the financial advisor, who discussed various options regarding temporary and long term financing. He believes that they can be appropriately placed in the market.

Peter Hubbell asked Mr. Jurkowski if he had a breakdown of the $2.75 million dollars.

Mr. Jurkowski responded that with respect to the Highway Garage itself, they included general construction, electrical, plumbing and come up with $1.9 million for the construction. They also added the salt storage facility, the demo of the existing building, the construction of a new facility, adding electric, providing a sub-base to contain runoff, that figure comes to $270,000. That is including site work. Regarding other site work it is anticipated that the Highway Department is going to perform as much as possible as far as the facility including the installation of the septic system, providing and installing the drainage for the parking area, providing the gravel bank and also looking at paving the area as well. The site work cost is roughly $50,000. That is for materials and asphalt. They've added 10% for the contingency which is roughly $250,000. Engineering and legal bonding is roughly $170,000 which brings the amount to roughly the $2.75 million. Based on the bond of $2.75 million at 5% for a 30 year term the yearly payment that the Town would make on that bond is $178,891.00. He provided an example of the anticipated yearly cost to the homeowner. For a home with an assessed value of $200,000 the yearly cost would be $27.02, a home assessed at $250,000 would be $33.77 per year and a property assessed at $300,000 would pay $40.53 yearly. Mr. Jurkowski responded to a resident that it is based on tax assessed value, not gross assessed value.

Supervisor Crane thanked Ray Jurkowski. She showed pictures of the interior of the flooded Highway Garage taken last March. She explained the flooding was throughout the entire area of where the employees work. It is a demonstration of the conditions in that building as it occurs in bad weather.

Councilwoman Strawinski asked where the leak comes from.

Supervisor Crane responded it comes from the under the door.

Richard Berman asked where Ray Jurkowski is employed.

Ray Jurkowski responded a private engineering firm, Morris Associates, out of Poughkeepsie.

Rosemarie Zengen asked Ray what the approximate cost would have been if we moved forward four years ago with the Highway Garage.

Mr. Jurkowski responded that in about 2002 it would have been $1.5 million. Although he agrees that financially we are in hard economic times and things are hard for everyone, it also means it is hard for contractors. Contractors are very hungry.

Rosemarie Zengen is concerned about the health conditions for the employees in the present Highway Garage. She commended Highway Superintendent Wayne Hildenbrand for the job he does under those conditions.

Patty Gordon questioned the site decision for the proposed Highway Garage.

Supervisor Crane responded that about five years ago, she and Highway Superintendent Wayne Hildenbrand went to see Town owned property on Route 199 east of the Village. It was extremely hard to get to, it is on a very steep incline off of Route 199 where the speed limit is 55 miles an hour. Worse than going into the site, is coming out of the site. Additionally, there would have to be a bridge built in there in order to get access to the land where there is room enough for anything to be built. The Highway Superintendent persuaded her that the incline was severe enough to prohibit safe entrance and exit to that site. Secondly there was a second site proposed by the former Supervisor and we floored that. It was located adjacent to the NY State DOT. It is largely wetlands and Supervisor Crane does not believe that site is appropriate. She spoke to the NY State DOT people who are adjacent to that site and they were surprised the Town would even consider that site. She asked Highway Superintendent Hildenbrand to send a letter to the Resident Engineer of NY State DOT Region 8 indicating that we would be interested to know if they would be interested in the possibility of shared services of the salt shed on Rokeby Road. Supervisor Crane read the letter composed by the Highway Superintendent. In his letter he informed the DOT that the current Town facility also services the Red Hook School District, the Village of Red Hook and the Village of Tivoli so those entities would also be included in the shared services of sand and salt storage.

Supervisor Crane read the response that the Highway Superintendent received from Michael Temple of the NY State DOT. In his response he said although he had exploratory meetings with members of the Red Hook Town Board he in no way indicated that the New York State DOT would be able to have a shared services agreement with the Town or the surrounding municipalities mentioned in Highway Superintendent Hildenbrand's letter. He identified several issues that would prevent an agreement including:

1. Salt storage -They currently use their entire salt storage shed and there is no room for the salt/sand mixture the municipalities use nor sufficient room to store any additional salt.
2. Limited room at the current facility - during snow and ice operations the yard is not large enough to handle the additional trucks proposed to use the facility. It would create traffic flow and safety problems.
3. Salt accountability – there is potential significant problems in record keeping with five organizations using the same salt.
4. Security and use of NY State DOT vehicles – the Department has significant concerns about securing the facility, equipment and supplies with multiple municipalities proposing to access their site.
5. Building – their current building is substandard for their departments use and needs to be replaced. It is unlikely that funds will be made in the near future to replace the building.

The letter stated that unfortunately they are unable to consider a shared service agreement with the Town of Red Hook or any other municipality.

Supervisor Crane feels that it is very clear to her about the possibility of sharing services or relocating our salt shed to the site on Rokeby Road.

Councilwoman Strawinski said they wanted to consider an additional acreage to their site of a 22 acre tract of which at least 6 acres is buildable on that property. She feels there was misinformation given out.

Supervisor Crane said we asked whether or not we could share services of the salt that they have existing there.

Councilman Colgan said he spoke to the District Director a few months ago who said exactly the opposite.

Supervisor Crane responded it was never indicated to anyone.

Richard Gordon missed part of the meeting and asked about the cost analysis. There was a Village Building put up and a 23% tax increase attributed to it. It seems to him that this project could escalate in cost. He is concerned about the possible increase in taxes.

Supervisor Crane agreed that the information should be available. It is useful to examine it closely to look for ways that we can save money. She welcomes any suggestions regarding saving money.

Kathy Stewart suggested taking extreme care.

Supervisor Crane asked Highway Superintendent Wayne Hildenbrand to share the number of linear miles that this Highway Garage sees to.

Highway Superintendent Hildenbrand answered 120 linear miles.

Peter Hubbell referred to a standard cost evaluation used by many estimators that he is reading from Marshall Valuations Service that Marshall & Swift published. Based on the $1.9 million for the 13,000 square foot garage, that would equate to about $150 per square foot, a very expensive building. He appreciates what the Highway Department does, but he does not think Red Hook is in the position to build the very best that is out there. A good quality steel building comes in at about $90 a square foot. $1.9 million is excessive for this Town.

Ray Jurkowski reiterated that we are at the very beginning of the project. We have not bid anything out yet and our goal is to provide the best, most cost effective facility for the Town. We are trying to provide a cap. We are trying to get to the point of a bid, and without providing for the funding we can't get there. Obviously we will work to come up with a design to provide for add alternates so when bids come in we can decide what items can be taken out of the project based on the cost. He used solar panel options as an example. These numbers are not going out at the present time. There is a long period to go before we go out to bid. He explained that with respect to the cost, Morris Associates is using real world numbers from Mean Cost Estimating which is another standard. They are also using real world numbers based on other projects they've seen bid out themselves as well as other engineers and architects. Keep in mind with respect to a private entity versus a municipal entity, a municipal entity, because it is over a $500,000 project, is required to abide by the Wicks Law. That means we separate contracts out, that adds cost and in addition municipalities are required to pay prevailing wages which are determined by New York State.

Rosemarie Zengen asked about geothermal and solar. Would it add a great deal to the cost?

Ray Jurkowski responded that it definitely adds cost but is has a long term benefit as far as operational costs and there is about a 12 to 15 year payback. They are currently anticipated in the project.

Rosemarie Zengen clarified that it elevates the cost but in the long run it would be cost efficient.

Ray Jurkowski said the intent at this point is to provide for add alternates within the bid. Once we get through that process the Town Board will have hard costs to make informed decisions.

Linda Keeling asked if any materials from the present building can be recycled after demolition.

Ray Jurkowski responded no, parts would not be able to be utilized. There are potentials where we might be able to salvage materials. Many times contractors who bid take that into consideration as part of their bid of what they can salvage, therefore potentially reduce the cost.

Barbara Bielenberg asked who decides if we proceed and when will it be decided.

Supervisor Crane explained there are a number of steps that have to occur. She referred to Attorney Chale to describe the step by step process.

Attorney Chale explained that there are basically three different approvals that the Town would have to consider. First, is the Monroe Analysis that we are considering in public hearings. Second is SEQRA. There is an environmental assessment form that will be presented to the

Board and they will review that in detail and considering the environmental impacts of the project. Last is the consideration of a bond issue which is subject to permissive referendum.

Barbara Bielenberg asked if residents would have a chance to vote on the bond.

Attorney Chale responded that this type of resolution is typically adopted subject to permissive referendum. That means that it is not an election unless there is a petition presented by a certain number of voters to request an election, as opposed to a mandatory referendum that goes straight to an election proceeding.

Barbara Bielenberg believes that the Village Hall renovation went through without the residents knowing.

Supervisor Crane told her that is why we are here. We will make sure information gets out. We have no problem sharing any of this information or the impact of what we are attempting to do.

Mr. Berman asked prior to the vote for the bond issue, when the public will have the opportunity to approve or disapprove of the construction.

Supervisor Crane explained that if the Board votes to go to bond, that starts the permissive referendum possibility. We have to see whether this is something the public is willing to support. We need to identify a cost. If we find the cost can be trimmed we will do that. If we agree to go to bond, at that point the clock will start the process of making a permissive referendum available to the public. She explained the permissive referendum as that if 5% of the voters who voted in the last Gubernatorial Election submit a petition that says yes, we want a referendum on this issue. If we get a petition in that amount then a referendum will be held within thirty days.

Councilman Colgan attempted to clarify the permissive referendum to Mr. Berman who wants to know at what point residents can vote. He explained that we are getting a rough estimate now to try to arrange for the bond. It does not mean we will take the money, it authorizes the borrowing of $2.9 million in the form of a bond after which we will go out with a plan to various contractors who will then come to us with a proposal, hopefully for much less than the $2.9 million. If we approve that bond, then the public has the opportunity to walk around with a petition to get signed for a permissive referendum. That will require a vote of the public to authorize that bond regardless of what the Board has done.

Attorney Chale tried to clarify the purpose of dealing with the financing as part of the initial step. The Board needs an estimate of the overall project before they embark on the specific process of preparing plans for a specific project. This is the way these types of capital projects are done. An amount is estimated, the Board determines the maximum amount they feel they are able to borrow for the project. The borrowing itself does not happen until much later in the process. The authorization is approved earlier on so that you know what type of projects you're going for.

Mrs. Berman is concerned about the terrible financial times we are in.

Robert McKeon clarified that a permissive referendum is not a requirement. It is a decision of the Board to go to the public to ask them directly for that step to acquire signatures.

Councilwoman Strawinski asks residents to keep coming to the meetings and letting the Board know how they feel about the project. We will take all comments into consideration when we vote on the bond issue.

Ken Fowler, Highway Department employee, said if this doesn't happen we will keep pouring good money into a building that just keeps deteriorating. It would be throwing good money after bad.

Larry Thetford asked if by law the Town is required to take a minimum number of bids on a capital project as this.

Supervisor Crane explained that it is bid out in segments for each type of construction.

Attorney Chale agreed and added further that when you go out for public bid it is for the process more than the results. However, if the Board feels they did not receive adequate bids they may reject bids if they are not satisfied that they received adequate competition. The Board would make an evaluation of the bids at the time they are received.

Linda Keeling thinks the people from the Village feel their taxes were raised quite a lot for their renovation. They need to know this is a cap.

Patrick Kelly said the Town of Ancram is looking at a similar project and their current is estimate at about $650,000 for what is called a "sprung structure". Has that been considered?

Ray Jurkowski responded that we looked at alternatives including the potential use of an aluminum building. We looked at the estimated cost savings. He personally has not heard of sprung structure but will look into it as long as it meets the criteria for the purpose of the bonding as far as the thirty year period.

Patrick Kelly asked the Board to consider leaving the Public Hearing open.

Supervisor Crane wouldn't have a problem leaving the Public Hearing open.

Councilwoman Strawinski appreciates that because she has letters to share regarding the Highway Garage.

Supervisor Crane asked her to share them with the Board and said the Board will take this up again next week. She thanked everyone in attendance.

On a motion of Supervisor Crane, seconded by Councilwoman Strawinski, moved to continue the Public Hearing until December 9 at 7:30 p.m.

Adopted	Ayes	4	Crane, Strawinski, Colgan, Latimer
	Nays	0	
	Absent	1	Ross

Respectfully submitted,

Sue McCann, Town Clerk