

ULSTER TOWN BOARD SPECIAL MEETING

January 26, 2006

CALLED TO ORDER BY SUPERVISOR WOERNER, CHAIRMAN at 6:00PM

SALUTE TO THE FLAG

ROLL CALL BY CLERK

TOWN COUNCILMAN CRAIG ARTIST

TOWN COUNCILMAN DAVID BRINK - Absent

TOWN COUNCILMAN JOEL B. BRINK

TOWN COUNCILMAN ROCCO SECRETO

SUPERVISOR NICKY B. WOERNER

Supervisor Woerner explained that, at the prior Town Board meeting, some concerned citizens asked the Town Board to hold an informational meeting about property taxes on the East Kingston Water District tax bill.

Summary of discussion, questions and answers:

Frank Rittie – The information that was given to the public about the estimated tax bill indicated, was twice as much as anticipated and most of the people were wondering why.

Supervisor Woerner explained the Town was planning to break ground and have bonding in place by 2005. However, the construction was delayed because the town was not able to receive HUD Funds. The USDA funds would lower the cost of the project, but the bid specs had to be redone to comply with their regulations. This was the cause of the delay. This resulted in the town needing to make an additional bond anticipation note payment resulting in two payments this year, causing a higher water district tax. The good news is that the interest earned on the note will slightly lower next year's district tax.

There was a discussion about how the taxes were distributed and it was explained that the taxes were distributed through assessed value according to state law.

A person in the audience asked why there was a delay in the bidding. Mr. Paul Vogt, the Water Superintendent explained that the USDA wanted the town to have two separate bid contracts: one for the town and the other for the city since work was going to be performed in two municipalities. The city wanted to review the bid to cover all its concerns. Nothing was done wrong. The town had to follow the procedures.

A question was raised on how fast the work will get done. There is no performance bonus for getting the job done early; but there is a penalty for not finishing by a certain date.

There was a question about the property taxes going up. It was explained that the Town portion of the tax went up over 1%. The county budget went up around 38%.

A resident asked if the water district will raise the assessed value of land.

James Maloney, the Town Assessor, stated that the Town will have to eventually raise the assessments as people in the area are selling their homes at greater value than their current assessment. He felt that the introduction of the water district will not have an effect on the assessed value of the land. He stated that the problems the hamlet has with the drainage and

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sewer are taken into consideration. All the property taxes are based on an assessed rate; there are no breaks for any companies.

It is estimated that next year the average tax payment will be \$42.00 more than projected (\$419).

Mr. Frank Rittie inquired about the fire hydrants' water for the Fire Department.

Mr. Paul Vogt stated that the hydrants need a water tank that will be installed after the pipes are laid. They are going to wait to see what money they have left over, and purchase the largest tank the district can afford. This will be done in the last stages of the project and will not be held over for next year. It is the Town goal to have the district running as soon as possible this year but there are no set dates for completion. If further development occurs, the Town Board can discuss upgrading the tank with future developers.

What happens to the roads in the area?

Mr. Paul Vogt stated that there is not enough money to repave the whole district. The contractors will repave what they dug up. Anything they damage they will be responsible for. They are bonded so the town has a guarantee up to a year after they finish.

There was a discussion about the lateral connections. Would individual people be able to connect the pipes by themselves? It was stated that a person could do the work themselves if they were bonded. The Town had a list of bonded contracts but the people could hire anyone they wanted as long as they were bonded for the job. It was also stated that the town plans on applying for a lateral grant connection so people of moderate or low income or income qualified could receive a free connection. Paul Vogt suggested that if the grant for the lateral program was approved, he would like to see one contractor get the job to make it more cost effective as the jobs are too small individually. The reason for the bonded contractor is to protect the district. If something happens, the town can pull the bond and get the problem fixed so there is no impact on the district or its tax-payers.

Mr. Vogt stated that if anyone has any problems with blasting the area, they should go see the sites engineer. The blasting for this project is very different than excavation and won't be felt by the people in the area.

The bond on the East Kingston tax bill would be 38 years. The current wells in the area can still be used, but must be independent of the town water; disconnected from the water service.

A discussion of a sewer district in the area occurred among the board and the residents. Water was required first before they could get sewer. Sewer may come to the area in about 10 to 12 years through the proposed development in the area. It would most likely be a connection to the City of Kingston for service.

Councilman Joel Brink motioned to adjourn the meeting at 8:17 PM

2nd by Councilman Artist

Four Ayes

Respectfully Submitted

by Jason Cosenza, RMC – Ulster Town Clerk