

Village of Lansing

MINUTES of a meeting of the Board of Trustees of the Village of Lansing held on Monday, November 2, 2009, in the Village Office.

Present: Mayor Donald Hartill; Trustees Larry Fresinski, John O'Neill and Julie Baker; Attorney David Dubow; Clerk/Treasurer, Jodi Dake

Mayor Hartill called the meeting to order at 7:34 P.M. and opened the public comment period. Frank Moore voiced his concerns with gas drilling in the area. He has attended three different meetings on gas drilling using hydrofracking techniques. Frank attended the "Meet the Candidates" program at the Town of Lansing and they were all interested in drilling. He also attended the meeting at the Unitarian Church and the meeting on Legal & Municipal Issues at Cornell Vet School which was a panel of four lawyers. Frank feels that the important approach for the Village Board is for it to ask itself what the Village can or should do. He handed out maps showing the wide spread of leases as recorded with the Tompkins County Clerk. Frank pointed out that the Town of Lansing has a lot of leases and it appears that the Village has few or none. Municipalities have a weak position in this as the NYSDEC preempts most of the local authority with respect to the permitting of gas drilling. NYSDEC is doing a supplemental Generic Environmental Impact Statement (GEIS) which will govern permits in the State. There will be no local GEIS done. The public comment period for this document ends at the end of November, but may be extended. The document is approximately 800 pages. Frank doesn't trust the State on this issue because he feels they speak with a forked tongue. Half are concerned with the environment and the other are in favor of the extra revenue which will come to the State. Cornell University does not have any leases; they are waiting to see the GEIS. The gas drilling companies have a lot of exemptions from restrictions on Clean Water/Air. Roads will be impacted with heavy trucks. Lawyers are encouraging municipalities to be creative. Frank feels that the focus should be on the safety of our water supply. Lakes, creeks and wells are all vulnerable to what may happen with fracking fluid.

Frank also reported that Chesapeake Energy Corporation pulled out of the New York City/Catskills Watershed last week in the face of mounting opposition to drilling in that area and recognizing that New York City controls development in that region so that nothing can happen to those reservoirs. Frank encouraged the Board to research this and find out why Chesapeake withdrew so willingly. Is there a danger? Is there a lesson to be drawn from this?

Frank feels the top concern should be the safety of our water supply. What can be done about it? The Board should become as informed as possible so that they know how they may want to approach this subject. Frank stated that when they do hydrofracking they only recover 1/2 of the fluid they put into the ground. Where is the remaining fluid going? Frank also wondered if Bolton Point is concerned. Frank urged the Board to be active on this subject.

Mayor Hartill stated that there are other strategies that can be utilized. As far as controlling the weight limit on our roads to keep the trucks out, this would not work because the axle loading that is currently allowed is actually heavier than the trucks the gas drilling companies will use to haul water. Don feels that it is very difficult to demonstrate potential hydrofracking effects because the gas is below many layers of salt. Migration of these fluids is very unlikely to get through these salt layers. This however is a question for a geologist. Don feels that the waste disposal angle is the best strategy.

Frank feels the State has a financial interest. Don pointed out that if you read the fine print of these lease agreements you would see that one does not get royalties until gas is produced. Leases are cheap. Frank stated that at one of the meetings the lawyers pointed out that each lease is individually crafted and the devil is in the details. Don thanked Frank and stated that we would keep our eye on this issue even though, as Frank said, we don't have much leverage. Frank asked the Board to try and find the leverage the Village does have.

Karen Veanor stated that her husband Dan could not make the meeting this evening but she was present to ask the Board if they would like to place an ad with the Lansing Star. She handed out a price sheet and explained potential advertising opportunities and the associated costs. She feels it would be a great way for the Village to reach out to the public. She explained that the Village would be able to track who views our ad and who goes to our website. The Lansing Star gets about 8,000 visits a month.

Motion-To Close the Public Comment Period

Trustee Fresinski moved to close the public comment period. Trustee Baker seconded the motion. A vote was taken:

Mayor Donald Hartill-Aye
Trustee John O'Neill-Aye

Trustee Julie Baker-Aye
Trustee Larry Fresinski-Aye

The next item on the agenda was to approve the minutes from October 15th & 19th. The Board was unable to approve the minutes from October 15th without Lynn present.

Motion - To Approve the Minutes from October 19, 2009

Trustee O'Neill moved that the draft meeting notes, as reviewed and revised by the Clerk/Treasurer and the Board, are hereby adopted as the official minutes. Trustee Fresinski seconded the motion. A vote was taken:

Mayor Donald Hartill-Aye
Trustee John O'Neill-Aye

Trustee Julie Baker-Aye
Trustee Larry Fresinski-Aye

It was explained that every year the Village taxes that are unpaid get turned over to the County for collection and are thereby relieved on the Town & County Tax bill. Jodi stated that the amount is about half of what it was last year. The Board reviewed the

delinquent tax list and approved the returned Village taxes that will be sent to Tompkins County.

Resolution #5571-To Forward the Delinquent Village Taxes in the Amount of \$2,514.05 to Tompkins County

Trustee Fresinski moved this resolution. Trustee O'Neill seconded the motion. A vote was taken:

Mayor Donald Hartill-Aye
Trustee John O'Neill-Aye

Trustee Julie Baker-Aye
Trustee Larry Fresinski-Aye

The required documentation to implement the foregoing resolution was executed by all of the Trustees as required.

Don explained that Brent Cross has approved the most recent request submitted to reduce the Letter of Credit on the Bolton Point Subdivision. The road is essentially complete. There are a few punch list items left. The road ended up costing more than estimated by almost a factor of two. This was due to a late start and some unforeseen rock. Brent has inspected the site to confirm the quantities, and all items appear to be accurate. With the proper reduction of retainage and withholding of the 15% Contingency the release of \$142,265 will leave a balance of \$298,785. Brent believes the balance is a safe amount to cover any unforeseen issues and recommended that the Village consider releasing \$142,265 from the LOC.

Resolution #5572- To Reduce the Bolton Estate Subdivision Letter of Credit to \$298,785

Trustee O'Neill moved this resolution. Trustee Fresinski seconded the motion. A vote was taken:

Mayor Donald Hartill-Aye
Trustee John O'Neill-Aye

Trustee Julie Baker-Aye
Trustee Larry Fresinski-Aye

Don stated that at the last Bolton Point meeting it was anticipated that the developer will be dedicating and transferring the road to the Village around the first of the year so that we could do the plowing. John O'Neill asked if we had the usual warranty on the road. Don stated that this was relaxed because the Commission is responsible for the road construction.

Dubow explained that the Village periodically reviews and revisits our Investment Policy and makes changes when needed, and also confirms it continuing application each year at the Board's Organizational Meeting. In the course of preparing a recommendation to the Board for certain revisions it was recently discovered that when the Village Codification was done several years ago, Chapter 20 incorporated the old investment policy from 1989, not the current one we use. The State dictated a new form several years ago and the

Village adopted that general form and has been operating in accordance with that new form. Therefore, to make the Village's current Investment Policy consistent with Chapter 20 of the Code, that Chapter 20 needs to be amended in its entirety to reflect the correct Investment Policy language. Since this investment policy was originally adopted by resolution, the Code permits it to be changed by resolution. Jodi has suggested that the Tompkins Trust Company "Maximum Amounts" under section 20-7 be increased to \$15 million from \$10 million. We currently have over \$12 million in Tompkins Trust Company accounts. She also suggested that we remove M&T from the list of depositories since we no longer have accounts with them. John O'Neill also suggested that JP Morgan Chase be increased to \$15 million.

Resolution #5573- To Amend Investment Policy

WHEREAS, the Village of Lansing Board of Trustees previously adopted, as required, an Investment Policy (the "Investment Policy") which is set forth at length in the Village Code as Chapter 20 thereof (entitled "Investment Policy"); and

WHEREAS, the Investment Policy has been amended from time to time by resolution of the Board or Trustees; and

WHEREAS, the Board of Trustees wishes to further amend the Investment Policy set forth in Chapter 20 of the Village Code for the purpose of (i) updating certain information therein and (ii) confirming all of the terms and provisions of the Investment Policy (as previously amended and as amended by this resolution) to be binding and effective until such time as further amendments may be approved; and

WHEREAS, a full and updated version of the Investment Policy as so updated and amended is attached in its entirety to this resolution; and

WHEREAS, Chapter 1 (entitled "General Provisions"), Section 1.7 (entitled "Amendment to Code"), subsection "B," of the Village of Lansing Code provides in part as follows:

"All local laws, ordinances, resolutions, regulations, policies and codes as set forth in the Code may be deleted, amended, supplemented or repealed from time to time as the Board of Trustees deems desirable. In each case and to any extent that prior to its incorporation into the Code, any Article, Chapter, section or provision of the Code could have been deleted, amended, supplemented or repealed by resolution of the Board of Trustees (rather than by adoption of a local law), such Article, Chapter, section or provision may continue to be so deleted, amended, supplemented or repealed by resolution of the Board of Trustees, and such deletion, amendment, supplementation or repeal shall not require the adoption of a local law;" and

WHEREAS, it is hereby determined that the updating and further amendment of the Investment Policy as attached hereto and the incorporation of the Investment Policy, in its entirety, in the Village Code as a fully new and updated Chapter 20 may be accomplished by resolution (rather than by adoption of a local law) of the Village of Lansing Board of Trustees;

NOW, THEREFORE, BE IT

RESOLVED, that the Village of Lansing Board of Trustees hereby approves and adopts the attached Investment Policy as the updated and amended Chapter 20 of the Village Code, and such updated and amended Chapter 20 of the Village Code shall thereupon be deemed amended accordingly.

Chapter 20

INVESTMENT POLICY

- § 20-1. Scope.
- § 20-2. Objectives.
- § 20-3. Delegation of Authority.
- § 20-4. Prudence.
- § 20-5. Diversification.
- § 20-6. Internal Controls.
- § 20-7. Designation and Depositories.
- § 20-8. Collateralizing of Deposits.
- § 20-9. Safekeeping and Collateralization.
- § 20-10. Permitted Investments.
- § 20-11. Authorized Financial Institutions and Dealers.
- § 20-12. Purchase of Investment.
- § 20-13. Repurchase Agreements.

[HISTORY: Originally adopted by the Board of Trustees of the Village of Lansing 2-14-1989. New and updated Policy incorporating all previous revisions and amendments approved and adopted 11-2-09]

§ 20-1. Scope.

This investment policy applies to all moneys and other financial resources available for investment on its own behalf or on behalf of any other entity or individual.

§ 20-2. Objectives.

The primary objectives of the local government's investment activities are, in priority order,

- A. To conform with all applicable federal, state and other legal requirements (legal);

- B. To adequately safeguard principal (safety);
- C. To provide sufficient liquidity to meet all operating requirements (liquidity); and
- D. To obtain a reasonable rate of return (yield).

§ 20-3. Delegation of Authority.

The governing board's responsibility for administration of the investment program is delegated to the treasurer who shall establish written procedures for the operation of the investment program consistent with these investment guidelines. Such procedures shall include an adequate internal control structure to provide a satisfactory level of accountability based on a data base or records incorporating description and amounts of investments, transaction dates, and other relevant information and regulate the activities of subordinate employees.

§ 20-4. Prudence.

- A. All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the Village of Lansing to govern effectively.
- B. Investment shall be made with judgement and care, under circumstances then prevailing, which persons of prudence discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.
- C. All participants involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

§ 20-5. Diversification.

It is the policy of the Village of Lansing to diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling.

§ 20-6. Internal Controls.

- A. It is the policy of the Village of Lansing for all moneys collected by any officer or employee of the government to transfer those funds to the Treasurer within five days of deposit, or within the time period specified in law, whichever is shorter.
- B. The Treasurer is responsible for establishing and maintaining an internal control structure to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly, and are managed in compliance with applicable laws and regulations.

§ 20-7. Designation and Depositories.

The banks and trust companies authorized for the deposit of monies up to the maximum amounts are:

Depository Name	Maximum Amount
Tompkins Trust Company	\$15,000,000
JP Morgan Chase	\$15,000,000
First Niagara Bank	\$10,000,000

§ 20-8. Collateralizing of Deposits.

In accordance with the provisions of General Municipal Law, §10, all deposits of the Village of Lansing, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance that shall be secured:

- A. By a pledge of “eligible securities” with an aggregate “market value” as provided by GML §10, equal to the aggregate amount of deposits from the categories designated in Appendix A to the policy.
- B. By an eligible “irrevocable letter of credit” issued by a qualified bank other than the bank with the deposits in favor of the government for a term not to exceed 90 days with an aggregate value equal to 140% of the aggregate amount of deposits and the agreed upon interest, if any. A qualified bank is one whose commercial paper and other unsecured short-term debt obligations are rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization or by a bank that is in compliance with applicable federal minimum risk-based capital requirements.
- C. By an eligible surety bond payable to the government for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations.

§ 20-9. Safekeeping and Collateralization.

- A. Eligible securities used for collateralizing deposits shall be held by the investment bank and/or a third party bank or trust company subject to security and custodial agreements.
- B. The security agreement shall provide that eligible securities are being pledged to secure local government deposits together with agreed upon interest, if any, and any

costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events which will enable the local government to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the local government, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the Village of Lansing or its custodial bank.

§ 20-10. Permitted Investments.

A. As authorized by General Municipal Law, §11, the Village of Lansing authorizes the Treasurer to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following type of investments:

- (1) Special time deposit accounts;
- (2) Certificates of deposit;
- (3) Obligations of the United States of America;
- (4) Obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America;
- (5) Obligations of the State of New York;
- (6) Obligations issued pursuant to LFL §24.00 or 25.00 (with approval of the State Comptroller) by any municipality, school district or district corporation other than the Village of Lansing;
- (7) Obligations of public authorities, public housing authorities, urban renewal agencies and industrial development agencies where the general State statutes governing such entities or whose specific enabling legislation authorizes such investments.
- (8) Certificates of Participation (COPs) issued pursuant to GML §109-b.
- (9) Obligations of this local government, but only with any moneys in a reserve fund established pursuant to GML §§6-c, 6-d, 6-e, 6-g, 6-h, 6-j, 6-k, 6-l, 6-m, or 6-n.

B. All investment obligations shall be payable or redeemable at the option of the Village of Lansing within such times as the proceeds will be needed to meet expenditures for purposed for which the moneys were provided and, in the case of the obligations purchased with the proceed of bonds or notes, shall be payable or redeemable at the option of the Village of Lansing within two years of the date of purchase.

§ 20-11. Authorized Financial Institutions and Dealers.

The Village of Lansing shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments which can be made with each financial institution or dealer. All financial institutions with which the local government conducts business must be credit worthy. Banks shall

provide their most recent Consolidated Report of Condition (Call Report) at the request of the Village of Lansing. Security dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers. The Treasurer is responsible for evaluating the financial position and maintaining a listing of proposed depositories, trading partners and custodians. Such listing shall be evaluated at least annually.

§ 20-12. Purchase of Investment.

- A. The Treasurer is authorized to contract for the purchase of investments:
- (1) Directly, including through a repurchase agreement, from an authorized trading partner.
 - (2) By participation in a cooperative investment program with another authorized governmental entity pursuant to Article 5G of the General Municipal Law where such program meets all the requirements set forth in the Office of the State Comptroller Opinion No. 88-46, and the specific program has been authorized by the governing board.
 - (3) By utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the governing board.
- B. All purchased obligations, unless registered or inscribed in the name of the local government, shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the Village of Lansing by the bank or trust company. Any obligation held in the custody of a bank or trust company shall be held pursuant to a written custodial agreement as described in General Municipal Law, §10.
- C. The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for, the local government, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and release of the securities. Such agreement shall include all provisions necessary to provide the local government a perfected interest in the securities.

§ 20-13. Repurchase Agreements.

Repurchase agreements are authorized subject to the following restrictions:

- A. All repurchase agreements must be entered into subject to a Master Repurchase

Agreement.

- B. Trading partners are limited to banks or trust companies authorized to do business in New York State and primary reporting dealers.
- C. Obligations shall be limited to obligations of the United States of America and obligations guaranteed by agencies of the United States of America.
- D. No substitution of securities will be allowed.
- E. The custodian shall be a party other than a trading partner.

Trustee Fresinski moved this resolution. Trustee Baker seconded the motion. A vote was taken:

Mayor Donald Hartill-Aye
Trustee John O'Neill-Aye

Trustee Julie Baker-Aye
Trustee Larry Fresinski-Aye

During the Mayor's comments Don stated that SCLIWC is working on their budget and has an increase in costs. Therefore, they are proposing a 2.7% increase in water rates from \$2.58/1,000 gallons to \$2.65. The Town of Ithaca has not formally adopted the budget yet. John O'Neill stated that the Town of Lansing approved the increase at their last meeting.

Resolution #5574-To Approve the Amendment to the Southern Cayuga Lake Intermunicipal Water Commission Agreement Increasing the Water Rate Charges and to Establish Such Amended Water Rate Charges for the Village of Lansing

WHEREAS, the Village of Lansing entered into an agreement of intermunicipal cooperation with several other municipalities creating the Southern Cayuga Lake Intermunicipal Water Commission ("SCLIWC") and authorizing the construction by such Commission of the Bolton Point water treatment plant and related transmission and other facilities, which agreement was restated as of June 5, 1979, and which agreement has been subsequently amended from time to time (such agreement as so amended being hereinafter referred to as the "SCLIWC Agreement"); and

WHEREAS, the SCLIWC Agreement included a schedule of the water rates to be charged, which schedule has been amended from time to time; and

WHEREAS, the parties to the SCLIWC Agreement wish to amend the Agreement to increase the water rates, and a copy of the proposed amendment has been submitted to this Board for its approval; and

WHEREAS, the Village of Lansing Board of Trustees finds it is in the best interests of the Village of Lansing and its citizens to effect the proposed water rate increases;

NOW, THEREFORE, BE IT

RESOLVED, that the Village of Lansing Board of Trustees, in accordance with Article 8 of the New York State Environmental Conservation Law - the State Environmental Quality Review Act (“SEQR”) and 6 NYCRR Section 617.5, hereby determines that adoption of said proposed amendment and the establishment of water rates constitute a Type II action, constituting “routine or continuing agency administration and management, not including new programs or major reordering of priorities that may affect the environment,” and thus may be processed without further regard to SEQR; and be it further

RESOLVED, that the Village of Lansing Board of Trustees hereby authorizes on its behalf the execution of the proposed amendment to the SCLIWC Agreement submitted to this meeting, approving thereby the amendment to the rate schedule so as to increase the water rates to be charged under the SCLIWC Agreement generally from \$2.58 per thousand gallons of water to \$2.65 per thousand gallons of water; and be it further

RESOLVED, that upon the approval by all required parties of the proposed amendment to the SCLIWC Agreement setting the increased rate of \$2.65 per thousand gallons of water, and concurrently with the effective date of such amended rate as provided for in the approved amendment to the SCLIWC Agreement, the Village of Lansing Board of Trustees hereby establishes the foregoing increased rate as the base rate chargeable to each owner of property that is provided with water service by connecting to the Village of Lansing Water System, all such water service charges being subject to the additional water rate surcharge (currently 30%) imposed by the Village from time to time by resolution of the Village Board of Trustees.

Trustee Baker moved this resolution. Trustee O’Neill seconded the motion. A vote was taken:

Mayor Donald Hartill-Aye
Trustee John O’Neill-Aye

Trustee Julie Baker-Aye
Trustee Larry Fresinski-Aye

David Dubow presented Proposed Local Law D (2009) to Amend the Village of Lansing Sewer Rents. He explained that we have one property that is not on Village water but is connected to our sewer. The charge for sewer for Village property owners who are connected to the Village water system is 30% of their water usage. We need to update Section 111-22 of the Code, as we do each time the water rate is adjusted, to reflect the increased water rate resulting in a sewer charge increase for non-Village water customers to \$0.80/1,000 gallons of water used with a minimum charge of \$8.00 for each quarterly billing. To do this and adopt the Proposed Local Law D (2009) a public hearing is necessary.

Resolution #5575-To Set a Public Hearing for Propose Local Law D,
Amendment to Village of Lansing Code-Sewer Rents
for Monday, November 16, 2009 at 7:35pm.

Trustee O'Neill moved this resolution. Trustee Fresinski seconded the motion. A vote was taken:

Mayor Donald Hartill-Aye
Trustee John O'Neill-Aye

Trustee Julie Baker-Aye
Trustee Larry Fresinski-Aye

Larry stated that he has received a request to analyze our cable franchise bill again. A few years ago we did this and received money. It costs us nothing to pursue. Larry believes that the monies the company finds is split 50-50 with us. The Board agreed to have Larry go forward with this.

John O'Neill gave the Board an update on the last Town of Lansing Board meeting. He stated that there was a public hearing on the proposed Lansing Commons. It is a Planned Development Area which will have apartments, houses and its own sewer package plant. He also informed the Board that Floyd Ferris, their electrical inspector, was let go as of January 1st. They felt that it was too expensive to keep him because with a wide territory the mileage was too much. People now have to hire Floyd on their own to get an electrical inspection.

Mayor Hartill stated that we had another sewer plug on Warren Rd. that was caused by debris from the Tompkins County Jail. Don tried to call them but has been unsuccessful in reaching anyone. This has been a problem in the past. This time it backed up into Dairy One's building. Don will insist that a mechanism be installed so that this doesn't happen again.

Don is drafting a letter regarding to the Sheriff and State Police concerning the speeding problem on Cayuga Heights Road. He has two weeks of speed data to give to them. John also suggested that we install a three way stop at the intersection of Oakcrest and Cayuga Heights Rd. to slow traffic down. Don stated that we had tried this on N. Triphammer Rd. several years ago and it was unsuccessful so he would like to try this strategy first.

Motion- To Adjourn

Trustee Fresinski moved for adjournment. Trustee O'Neill seconded the motion to adjourn. A vote was taken:

Mayor Donald Hartill-Aye
Trustee John O'Neill-Aye

Trustee Julie Baker-Aye
Trustee Larry Fresinski-Aye

The meeting adjourned at 8:35 pm.

Jodi Dake
Clerk/Treasurer