**REGULAR MEETING**

 MARCH 11, 2013

#  The Board of Trustees held the Regular Meeting of March 11, 2013 at

#  the Village Municipal Building, 167 North Main Street, Liberty New York.

 Mayor Winters opened the meeting with the Pledge of Allegiance.

**PRESENT:** Mayor Richard Winters, Trustee Shirley Lindsley, Trustee Corinne McGuire, and Trustee Joan Stoddard. Also Present: Langdon Chapman, Attorney for the Village and Judy Zurawski, Clerk/Treasurer.

 Trustee Alvarez arrived at 8:30 p.m. for Executive Session.

**ALSO** David Ohman (Delaware Engineering), Police Chief Scott Kinne, Ronald

 **PRESENT:**  Stabak, Police Detective Steven D’Agata, Daniel Ratner Sr., Matthew

DeFrank, Peter Parks, Pamela Winters, Bill Gau and Dean Sefrin.

 At this point in the meeting Police Chief Scot Kinne introduced Patrol Officer David Abram to the Board who just began work at the Liberty Police Department upon finishing the Police Academy.

**APPROVAL** Motion by Trustee Stoddard, seconded by Trustee McGuire and

**OF** unanimously carried approving the following minutes:

**MINUTES:**

 REGULAR MEETING – FEBRUARY 11, 2013

**CORRES-** Mayor Winters said the Village has received the following correspondence

**PONDENCE**:and it is available in the Clerk’s Office:

 INCOMING

* Letter from NYMIR Re: 2013 Rates
* Letter FROM NYS Re: Emergency Escape Systems
* Planning Board Minutes 2.14.13

**PUBLIC** Mayor Winters opened the meeting to comments from the Public.

**COMMENTS**:

 Ronald Stabak (Woodlawn Ave.) briefly discussed the culvert specifications

 for the new culvert local law.

William Cogswell (State Route 55) asked who would be responsible if a snow plow tears up the culvert pipe at the end of a driveway.

Attorney Chapman said it would be the property owner’s responsibility.

**ATTORNEY**  Attorney Chapman said he would like to have an Attorney-Client

**COMMENTS:** discussion in Executive Session regarding the Ideal Snacks annexation.

Attorney Chapman also said the Board should adopt the mitigation resolution to stay in compliance with FEMA requirements.

**TREAS.** TREASURER’S REPORT FROM FEBRUARY 28, 2013

**REPORT:**

Treasurer Zurawski gave a written report to the Board which included the following:

* List of Current Taxes, which as of 02/28/2013 is $340,977.73 uncollected
* List of Delinquent Taxes, which as of 02/28/13 is $501,802.91
* Starting and Ending Central Check Numbers for February
* Starting March 2013 Central Check #8881
* The Court Revenue received from the Town of Liberty for January, which is $1220.00
* List of CDBG loans, the payment status of each one and recommendations.
* Budget Master File Reposts – Revenue/Expenditures for February 28, 2013

**WAGsys Presentation – Bill Gau and Dean Sefrin**

Bill Gau and Dean Sefrin gave a presentation to the Board regarding their software solutions for Building Departments and Code Enforcement Operations. Some of the software features are:

 Code Enforcement

 GIS Data Mapping

 Permits and Inspections

 Violations

 Complaints

 Accounting

 Work Scheduler

 Tax Parcel Management

The cost of the program is $1,999 with a yearly maintenance fee of $700.

They also informed the Board they are NIMS certified instructors.

Code Enforcement Officer Pam Winters said she has been testing the product and likes it very much.

The Board thanked them for their presentation and said it would be addressed at the Budget Work sessions.

**TABLED UPDATE ON RENOVAH HILL WATER TANK PROJECT – D. OHMAN/**

**BUSINESS: DELAWARE ENGINEERING:**

David Ohman of Delaware Engineering updated the Board and Public on the Water Tank Project:

* Received Letter of Conditions (dated November 27, 2012 and letter dated December 21, 2012 advising Village of what has to be done before bidding and construction can take place.
	+ Updated matrix spreadsheet with tasks and schedule of work to be done is completed.
	+ Judy and Mark Blauer have worked through and submitted a number of the items required prior to bidding
		- Outstanding pre-bid items mostly related to bond counsel and village attorney.
		- Village Attorney requested title search to confirm clear title before signing off on easement/right of way form.
	+ Working with Mark Blauer to respond to George Popp’s February 20 e-mail inquiry on the outstanding items.
* Design work and preparation of plans and specifications for the project is underway
	+ This is a key element as USDA RD and NYSDOH needs to review and approve the design and contract documents (plans and specifications) before project can go out to bid.
	+ Reviewed site layout with Ken Hessinger on February 14. Planning to revise location of access road, culvert over the drainage ditch, tank, telemetry shed and waterline connection because of:
		- Significant erosion in adjacent drainage ditch
			* Requires waterline connection to tank to be moved down the hill to get under the eroded stream and avoid air in line
			* Relocation of telemetry shed from current location on the waterline to next to the new tank (with differential pressure Monitoring system)
		- Improved access to tank from shop access road – eliminate need to drive up the steep hill.
		- Chlorination building next to new tank
	+ Required additional site surveying – field work completed last week, new site plan attached.
	+ Obtaining updated tank design/layout information from DN Tanks
	+ Will continue to review site layout and needs with Ken Hessinger
	+ Plan to submit design to USDA and NYSDOH by end of month
* Anticipated funding is as follows:
* $731,000 grant
* $289,000 loan – 38 years at 2%
* $11,000 local
* Ken Hessinger developing some pricing to put in new access road culvert, backfill and rip rap in stream between existing and new tanks – to provide access to the new tank.
	+ Recommend to add in some cost for this Village work to the upcoming budget.

**WWTP IMPROVEMENTS PROJECT – ADD’L EMERGENCY WWTP WORK – PHASE II**

* Work by Ross Electric – Electrical Construction
* Almost all planned work is complete.
	+ Connected mixer VFD and connected leads to the mixer
	+ All other work complete
* Work by TAM Enterprises – General Construction
* Work progressing well
	+ All exterior discharge air supply piping now in place
	+ Installed a majority of exterior are inlet piping. J-tube and course screen installed the week of February 4th.
	+ Diffused aeration grids and second submersible mixer (Mixer 3) installed in Oxidation Ditch 2 and connected to air piping
	+ New Blowers are installed on new pads inside the Influent Building – did not need to overcut/remove existing hatch opening to get blowers in.
	+ Interior air piping work underway
	+ SCADA PLC panel mounted and working on running conduits and conductors to equipment.
* Equipment Items – All equipment is installed.
* **System startup is scheduled for this week, March 11, 12 and 13 with Sanitaire, Kaeser (blowers), WWTP Staff, General Contractor and Engineer.**

**Contractor Payment Requests:**

**Ross Electric**

* Ross has submitted the Final Payment Request.
* Pay application submittal and recommendation to be sent to Judy under separate cover; waiting on certified payroll
* We have reviewed their submittal and agree with the level of work completed to date (100% complete) and the costs presented therein.
* **Therefore we recommend that Village resolve to authorize the Village clerk to provide final payment to Ross Electric in the amount equal to $2,940.26 – for a total contract cost paid to date of $22,982.40 (100% of the contract price).**

**TAM Enterprises Inc.**

* TAM has submitted Payment Request No. 3
* We have reviewed their submittal and agree with the level of work completed to date (approximately 90% complete) and the costs presented therein. **Therefore we recommend that Village resolve to authorize the Village Clerk to provide payment to TAM in the amount of equal to $100,686.70 – for a total contract cost paid to date of $654,813.45 (84% of the contract price) with a balance to finish, including retainage, of $123,498.85.**

Project Changes:

* TAM Enterprises:
	+ General Contract Change Order No. 1 – Manual Transfer Switch
		- Includes an addition to furnish and install a manual transfer switch. A manual transfer switch is required to maintain the ability to transfer emergency power (MCC\_A) from one of the new blowers that feed Oxidation Ditch No. 2 aeration grids to the only remaining Oxidation Ditch No. 1 brush aerator. Oxidation ditch No. 1 brush aerator needs to remain operational if there were an emergency in Oxidation Ditch No. 2 (upgraded ditch) until all Near Term Improvements (including modifications to Ox Ditch 1) are complete.
	+ Have obtained quote from TAM Enterprises to furnish and install a new manual transfer switch in the amount of $3,500.00.
	+ We have reviewed their quote and believe the quote to be fair and reasonable.
	+ All work will and costs associated with Change Order No. 1 will be added to the contract price resulting in a $3,500.00 increase to the base contract price and a revised contract price of $781,812.00 (previous contract price of $778,312.00) plus manual transfer switch work at a cost of $3,500.00).
	+ **Delaware recommends that Village resolves to accept VL2-G-12- General Contract Change Order No. 1 and authorize the Village Mayor to sign for the quoted price of $3,500 and a revised contract price of $781,812.00.**

**NEAR TERM WWTP IMPROVEMENTS – OXIDATION DITCH AERATOR AND INFLUENT SCREENS**

* CDBG Application submitted on July 12 for a $600,000 grant was successful
* Work follows through with emergency work (Phase 1 and 2) to complete the Near Term Improvements.
* Key elements of work includes:
	+ Oxidation Ditch 1
		- Put in aeration grid
		- Put in second submersible mixer
	+ New Influent Mechanical Bar Screens and Building
	+ Minor changes in Influent Building (HVAC mods, etc.)
* Mark Blauer developing items to go back to CDBG and overall schedule
	+ - Environmental work and design/bid – now thru May 2013
		- Contract Award/Shop Drawings – May – July
		- On site Work – July 2013 – June 2014
			* New influent screens take four months to manufacture after shop DWGS get approved
* Delaware preparing project cost summary (work completed to date plus what’s left to do) and description of remaining work to be completed for Mark to use for CDBG submission
* Delaware working with mark to determine bid document requirements
	+ Small Cities will need to review and approve the project specs
	+ No NYSDEC review or approval needed

**GRIEBEL PARK DAM – UPDATE FROM DELAWARE ENGINEERING**

Dave Ohman of Delaware Engineering reported as follows:

* Delaware is working with Sullivan County Soil and Water Conservation District (SCSWCD) and NYSDEC Dams Department reviewing the information that SCSWCD has submitted NYSDEC.
	+ NYSDEC needs hydraulic analysis and steam bed design conducted to confirm that the new steam bed will convey the 100 year storm event
	+ Need to move the embankment into the current pond area and establish the new streambed – may not have enough on-site material.
	+ The last week of February we had REGEN, LLC do site surveying to gather some elevation and location information for the stream in and out of the pond, the embankment and the pond depth so that we can run Hydro CAD.
	+ Once data/drawing is provided we can start looking at hydraulic analysis and relocation of stream bed.

**WATER CODE UPDATE FOR WATER METERS AND SERVICES**

David Ohman of Delaware Engineering reported on the following:

* Drawings with details and schedule of requirements for different sizes services under development and being reviewed by Ken Hessinger
* These will be technical specs/information that can be referenced by the code and periodically updated within having to substantially modify the code.

Mayor Winters asked that this update be done as quickly as possible as it has been on the Village’s Agenda for several months.

**DELAWARE RIVER BASIN COMMISSION (DRBC) NEEDS**

* Water Supply Application was prepared and submitted to DRBC on February 1, 2013 and they received it on Monday February 4th (deadline was February 3rd)
* No response to date from DRBC

**IDEAL SNACKS**

David Ohman of Delaware Engineering reported:

* Elm Street pump station experienced an alarm last week; pump clogging.
* Staff went in and restarted pumps and cleared blockage
* Village Attorney contacted Ideal Snacks since there had been no response to date from Ideal Snacks to December 2012 letter requesting that they agree to pay for the pump station and force main closing.

**CONSIDER PROPOSED LOCAL LAW #2-2013 – ANNEXATION OF IDEAL SNACKS**

This item was tabled until Attorney Chapman can discuss the matter with the Board in Executive Sessoion.

**CONSIDER RESOLUTION – HAZARD MITIGATION PLAN**

**RESOL.#** Motion by Trustee Stoddard, seconded by Trustee McGuire and

**7-2013:** unanimously carried approving Resolution #7-2013.

AUTHORIZE THE ACCEPTANCE AND ADOPTION OF THE MULTIJURISDICTIONAL HAZARD MITIGATION PLAN UPDATE FOR SULLIVAN COUNTY, NEW YORK

WHEREAS, the Village of Liberty, with the assistance from Barton and Loguidice, P.C. has gathered information and prepared the Multi-Jurisdictional Hazard Mitigation Plan Update for Sullivan County, New York; and

WHEREAS, the Multi-Jurisdictional Hazard Mitigation Plan Update for Sullivan County, New York has been prepared in accordance with the Disaster Mitigation Act of 2000 and Title 44 Code of Federal Regulations (CFR), Part 201; and

WHEREAS, Title 44 CFR, Chapter 1, Part 201.6 © (5) required each local government participating in the preparation of a multi-jurisdictional Local Mitigation Plan or Plan Update to accept and adopt such plan; and

WHEREAS, the Village of Liberty, has reviewed the 2012 Hazard Mitigation Plan Update, has found the documents to be acceptable, and as a local unit of government, has afforded its citizens an opportunity to comment and provide input regarding the Plan Update and the actions in the Plan;

WHEREAS, the Village of Liberty will consider the Sullivan County Mitigation Plan during the implementation and updating of local planning mechanisms, and will incorporate the hazard assessment date, hazard vulnerabilities and mitigation actions in these mechanisms, where applicable;

WHEREAS, the Village of Liberty has reviewed the Plan and affirms that the Plan will be updated no less than every five years.

NOW, THEREFORE, BE IT RESOLVED, that the Village of Liberty, as a participating jurisdiction, adopts the Multi-Jurisdictional Hazard Mitigation Plan Update for Sullivan County, New York, dated October 2012 and resolves to execute the actions in the Plan.

**CONSIDER REQUEST FROM SUREWAY TAXI – TAXI ORDINANCE**

The Board of Trustees and Police Chief discussed the changes that were being considered, which include the following:

* Having a Sergeant sign off on hack licenses if the Chief is not available to sign.
* Consider changing the plastic medallions that are issued each year for the taxi licenses to numbering on the taxicab. The number would be required to be a certain size, color and placed on the same spot on each taxicab. The number would be issued by the Village; however it would be up to the taxicab owners to pay for and have it decaled on their taxicabs.

Attorney Chapman said he would draft a local law that would have these changes in it for the Board to review.

**NEW CONSIDER CULVERT STANDARDS**

**BUSINESS:**

**RESOL.#** Motion by Trustee Stoddard, seconded by Trustee McGuire and

**8-2013:** unanimously carried approving Resolution #8-2013.

 WHEREAS, the Village of Liberty adopts the following culvert standards to go with Local Law #1-2013, which passed February 11, 2013 entitled Culverts. The standards are as follows:

 VILLAGE OF LIBERTY

SPECIFICATIONS FOR INSTALLATION OF DRIVEWAY CULVERTS

1. All culverts will be plastic ADS pipe
2. Culvert size will be the same size existing – anything larger or smaller must be discussed with the Village of Liberty DPW Supervisor at (845) 292-7031
3. Contractors must call 1-800—SAFEDIG so the DPW and Water Departments are aware of installation
4. Road side must be saw cut for proper joining of driveway to Village Street.
5. All culverts will have end pieces installed on inlet and outlet. No laid up stone.
6. After culvert is set, ditching, if needed, will be done by the Village of Liberty for proper water flow.
7. The Village of Liberty will not be responsible for any culverts or workmanship done by property owner or contractor. Village of Liberty will notify residents if we do have a large road project.
8. Village will not be responsible for any drainage to driveway or culverts caused by any Acts of God, such as flooding.
9. All culverts will be backfilled with #3 stone two or three inches above pipe and compacted. Two or three inches of crusher run with Type 6 or Type 7 asphalt and rolled. Choice of Asphalt type is that of the owner.
10. Cost of installation will be solely on the property owner. If the Village of Liberty is going to do a large project with drainage, the Village will do all work at village cost. When the project is finished the culverts will be the ownership of the property owner and any future costs for repair or replacement will be borne by the property owner.

 **CONSIDER SEWER CREDIT – ACCT #3-14600/GATA**

 Motion by Trustee Stoddard, seconded by Trustee McGuire and unanimously carried a sewer adjustment of $18.05 for Account #3-14600 in the name of Paul Gatta at 14 Vista Drive. This was due to a small leak in the outside line.

 **CONSIDER PROPOSAL FROM O’BRIEN AND GERE – PREVENTIVE MAINTENANCE CONTRACT**

 Motion by Trustee Stoddard, seconded by Trustee Lindsley and unanimously carried approving the Lily Pond Treatment Facility Instrumentation Calibration Preventative Maintenance Contract with O’Brien and Gere (File No. 11243.32175) dated January 23, 2013 with the following changes:

* They allow the Village to book the hotel room (if needed) in order to receive a government rate.
* The food they consume also be billed directly to the Village of Liberty, which the Liberty Diner has agreed to do.

 The original amount of the contract is $9,450.00

 **CONSIDER LOCAL LAW – OVERRIDE THE TAX LEVY LIMIT**

 Motion by Trustee Stoddard, seconded by Trustee McGuire and

 unanimously carried approving Local Law #2-2013 to override the tax levy limit established in General Municipal Law Section3-C.

 This local law was put to a vote, which resulted as follows:

 MAYOR WINTERS - YES

 TRUSTEE MCGUIRE - YES

 TRUSTEE LINDSLEY - YES

 TRUSTEE STODDARD - YES

 TRUSTEE ALVAREZ - ABSENT

**CONSIDER SURPLUS BIDS**

Motion by Trustee Stoddard, seconded by Trustee McGuire and

unanimously carried approving the following surplus bid:

 2005 Ford Crown Victoria

 Ron Herbert - $444.00

 Monticello, NY

 All bids received were as follows:

 Carl Salamon - $319.00

 Monticello, NY

Motion by Trustee Stoddard, seconded by Trustee McGuire and unanimously carried to reject the only bid received for the 2003 Ford Truck (Water Department) in the amount of $2550.00 from Richard Smith. The Fair Market Value (Book) is much higher.

Motion by Trustee Stoddard, seconded by Trustee McGuire and unanimously carried bid received from Liberty Scrap Metal in the amount of $2,925.00 (13,000 ton x $225 ton) for the 1996 Garbage Truck. All bids received were as follows:

DeVino Trucks - $1,777.00

Newark, NJ

Ron Herbert - 865.00

Monticello, NY

**CONSIDER APPROVAL OR THE RIGHT-OF-WAY CERTIFICATE FOR USDA - RURAL DEVELOPMENT**

Motion by Trustee Stoddard, seconded by Trustee McGuire and unanimously carried approving the Right-of-Way Certificate for the loan grant being received from United States Department of Agriculture – Rural Development for the Water Storage Tank.

**CONSIDER PAYMENT TO TAM AND ROSS ELECTRIC FOR THEIR WORK ON PHASE II OF THE WWTP IMPROVEMENT PROJECTS**

Motion by Trustee Stoddard, seconded by Trustee McGuire and unanimously carried approving the final payment to Ross Electric in the amount equal to $2,940.26 for a total contract cost paid to date of $22,982.40 or 100% of the contract price.

Motion by Trustee Stoddard, seconded by Trustee McGuire and unanimously carried approving the a payment to TAM Enterprises in the amount of $100,686.70 for a total contract cost paid to date of $654,813.45 or 84% of the contract price. The balance to finish, including retainage is $123,498.85.

**CONSIDER CHANGE ORDER NO. 1 – TAM ENTERPRISES – WWTP – PHASE II**

**RESOL. #** Motion by Trustee Stoddard, seconded by McGuire and unanimously

**9-2013:** carried approving Resolution #9-2013.

WHEREAS, the Village resolves to accept VL2-G-12- General Contract Change Order No. 1 and authorize the Village Mayor to sign for the quoted price of $3,500 and a revised contract price of $781,812.00.

**CONSIDER APPROVAL OF COMPRESSOR FOR D.P.W**

Motion by Trustee Stoddard, seconded by Trustee McGuire and unanimously carried to purchase a new compressor for the D.P.W. from Tractor Supply in the amount of $2,000. The compressor they had failed and was twenty eight years old.

**PUBLIC** Mayor Winters opened the meeting to comments from the Public.

**COMMENT:**

There were no comments from the Public.

**TRUSTEE** Mayor Winters opened the meeting to comments from the Board.

**REPORTS:**

Trustee Stoddard said she will miss Trustee Lindsley and thanked her for her twenty four years of service.

Trustee Stoddard also said Henrich spoke with B.O.C.E.S. to see if their program could help with the Skate Park construction.

 Trustee McGuire said she will miss Trustee Lindsley very much and said she has done many wonderful things for the community.

 Trustee McGuire mentioned the Soap Box Derby coming up in May and the great things it does for our community. She also suggested Henrich should have a skate park display at the derby, which will get kids excited about it.

 Trustee Lindsley thanked everyone for the help she has received over the years and said she will miss it very much.

 Mayor Winters also thanked Trustee Lindsley for all her service time and said the Village residents all appreciate her hard work.

**APPROVAL** Motion by Trustee Stoddard, seconded by Trustee McGuire and

**OF BILLS** unanimously carried approving Voucher #14-846 to Voucher #14-933 in the

**FOR PYMT:** amount of $284,179.06

Post Audit Vouchers

Motion by Trustee Stoddard, seconded by Trustee McGuire and unanimously carried approving Post Audit Voucher #14-839 to Voucher #14-845 in the amount of $253,362.83

DARE Account

Motion by Trustee Lindsley, seconded by Trustee Stoddard and unanimously carried approving the following bill for payment:

 Everyday Apparel - $39.00

**EXECUTIVE** Motion by Trustee Stoddard, seconded by Trustee McGuire and

**SESSION:** unanimously carried to go into Executive Session at 8:35 p.m. to receive

Attorney-Client Advice on the Ideal Snacks Annexation, to discuss a Personnel Matter in the Police Department and CSEA Contract Negotiations.

Motion by Trustee Stoddard, seconded by Trustee Alvarez and unanimously carried to come out of Executive Session at 9:30 p.m.

**CONSIDER SCHOOL RESOURCE OFFICER PROGRAM WITH LIBERTY CENTRAL SCHOOL DISTRICT**

Motion by Trustee Stoddard, seconded by Trustee McGuire and unanimously carried authorizing the Mayor to sign the Intermunicipal Agreement between the Liberty Central School District and the Liberty Police Department for The School Resource Officer Program subject to the approval of the Attorney.

**CONSIDER LOAN RESOLUTION FOR USDA GRANT/LOAN**

**RESOL.#** Motion by Trustee Stoddard, seconded by Trustee McGuire and

**10-2013:** unanimously carried approving Resolution #10-2013.

 **A RESOLUTION OF THE VILLAGE BOARD OF THE VILLAGE OF LIBERTY**

**AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF CONSTRUCTING A WATER STORAGE TANK FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURSIDICITION TO SERVE.**

**WHEREAS**, it is necessary for the Village of Liberty (hereinafter called Association) to raise a portion of the cost of such understanding by issuance of its bonds in the principal amount of $289,000.

**WHEREAS,** the Association intends to obtain assistance from the United States Department of Agriculture,

(herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921

et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event

that no other acceptable purchaser for such bonds is found by the Association:

**NOW THEREFORE,** in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time

it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).

1. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of $10,000.
2. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legally per­missible source.
3. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
4. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
5. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities

for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.

1. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
2. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
3. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and mainte­nance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USD A. No free service or use of the facility will be permitted. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
4. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
5. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
6. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the Government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities and replacement of short lived assets.
7. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
8. To comply with the measures identified in the Government's environmental impact analysis for this facility for the pur­pose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
9. To accept a grant in an amount not to exceed $731,000 under the terms offered by the Government; that the Mayor and Village Clerk of the Association are hereby authorized and empowered to take all action necessary

or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee.

**ADJOURN:** Motion by Trustee Lindsely, seconded by Trustee Stoddard and

 unanimously carried to adjourn the meeting.

**THE MEETING WAS ADJOURNED AT 9:31 P.M.**

 **RESPECTFULLY SUBMITTED,**

 **JUDY ZURAWSKI, CLERK/TREASURER**

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