

**ANNUAL REPORT TO THE RESIDENTS
OF EAST GREENBUSH
2016**

**By
Jack Conway
Town Supervisor**

Town Board:

Deberah DiMartino

Mary Ann Matters

Tom Grant

Tina Tierney

January 2, 2017

EXECUTIVE SUMMARY

In our campaign last year we made a promise that the Town Supervisor would issue an Annual Report to the people of the Town as part of our plan for increased transparency. This report fulfills that promise.

Human Resources

- * Town employees hired exclusively on merit.
- * Created full time position of Human Resources Manager.
- * Made conditional job offers to two police officers.
- * Appointed a full time dispatcher, code enforcement officer and assistant building inspector.
- * Appointed a new Assessor.
- * Assigned two police officers to the Detectives Office.
- * Hired two new employees in the Department of Public Works.
- * Developed comprehensive Workplace Violence Prevention and Sexual Harassment and Gender Discrimination Policies and trained all Town staff on the new policies.
- * Approved organizational chart and staffing plan for the Department of Public Works.

Information Technology

- * Replaced network servers, purchased 12 computers (6 for Town Hall, 6 for Police Department) and a Point of Sale computer for the Town Clerk.
- * Contracted to redesign and update Town website.
- * Contracted to index and consolidate Town Code and add eCode 360 to the website.
- * Implemented structured cabling installation in Town Hall.

Town Finances

- * Maintained positive fund balances in our General, Highway, Sewer and General Water Funds.
- * Completed NYS-OSC audit of the Justice Court.
- * Had an independent audit by UHY, LLC of 2015 financial statement. Began single-purpose audit of 2013 Capital Project by UHY, LLC.
- * 2017 budget includes 1.47% tax increase, repayment of interfund borrowing and independent accounting of Generic Environmental Impact Statement (GEIS) fees.
- * Received \$2,589,000 in grant funding.
- * Reduced reliance on consultants, including a 22% drop in spending on engineering consultants.

Town Board

- * Changes in public meetings: moved pre-board meetings to evenings, added public comment to pre-board meetings, restored question-and-answer format to board meetings, tightened requirement for Financial Impact Statement in resolutions, tightened rules for late submission of agenda items for board meetings.
- * Raised sewer rates by 69% in General Sewer District, 50% in Hampton Manor Sewer District, and 35% in 3rd Avenue and Couse Sewer Districts. Renegotiated industrial discharge permit with Garelick Farms for a 35% increase in fees.
- * Passed a revised and strengthened Code of Ethics.
- * Successfully negotiated new labor contracts with the three unions that represent Town employees - East Greenbush Police Officers Union, Local 1951, of Security and Law Enforcement Employees, Council 82, American Federation of State, County and Municipal Employees, AFL-CIO (term: January 1, 2014 – December 31, 2018); CSEA Local 1000 AFSCME, AFL-CIO, Town of East Greenbush Unit #8257, Rensselaer County Local 842 (term: January 1, 2014 – December 31, 2018); The East Greenbush Emergency Communications Association, Local 3708, Council 82 AFSCME, AFL-CIO (term: January 1, 2017 – December 31, 2019).
- * Worked with Hampton Manor community to improve the quality of drinking water: held two public meetings, surveyed attitudes and preferences, and evaluated the Hudson Avenue water tanks.
- * Demonstrated support for important causes, raised awareness of issues such as breast cancer, domestic violence and childhood cancer, and opposed the Pilgrim Pipeline and Kinder Morgan's Northeast Energy Direct (NED) pipeline.
- * Implemented an Honor a Veteran program.

Departments

- * Saw a sharp reduction in lost commercial value in tax certiorari cases.
- * Improvements to Hampton Manor Park: new playground equipment; Clean the Park Event; replaced the gazebo; sponsored a mural painted by students; controlled the goose population.
- * Successful summer camp with increased attendance for the 3rd straight year.
- * Expanded programs for seniors.
- * Successful Music in the Park and Town Festival programs.
- * Established a process for handling planning applications in a fair and equitable manner.
- * Increased reliance on in-house staff and the Planning Board as advisors to the Town Board on development issues, increased the quantity of technical meetings on projects and reduced reliance on consultants.
- * Revived the Luther Road sidewalk project.
- * Issued an RFP for engineering services and selected eight firms based on specialty.
- * Formed a GEIS Committee to oversee accounting, policy and project selection.

- * Developed the outline of a Rapid Action Plan for Columbia Turnpike.
- * Facilitated the demolition of the Weathervane building.
- * Replaced the heating system in the Police Department.
- * Replaced the Ridge Road 800 MHZ radio antenna system.
- * Required the Police Chief to seek accreditation under the New York State Law Enforcement Accreditation Program.
- * Removed the underground fuel tank at the Highway Garage.
- * Doubled the paving budget.
- * Entered cooperative agreements with Rensselaer County for snow and ice removal, and East Greenbush Central School District to help pave the Little League/Softball parking lot on Gilligan Road.
- * Declared a local state of emergency after sinkholes developed on Hydor Drive and used trenchless technology to repair the entire storm water system on the street.

Wastewater Treatment Plant

- * Issued \$1.6 million in bonds and notes to finance the final phase of the plant upgrade.
- * Reached substantial completion of the upgrade to the plant itself.
- * Bid and awarded a contract to Wm Keller & Sons for \$1,237,000 to complete the Outfall Piping phase of the WWTP project.
- * Closed on long-term financing for \$15.6 million with the NYS Environmental Facilities Corporation.

Appendices

This report also includes six appendices:

Appendix 1	Justice Court Audit Response Letter
Appendix 2	Fund Balance Analysis
Appendix 3	Cost to the Town of Engineering Consultants in 2015 and 2016
Appendix 4	Development Projects Under Review
Appendix 5	Town of East Greenbush Vehicle Inventory
Appendix 6	2016 Paving List

Acknowledgements

Special thanks to Town staff who contributed materials that were used in this report: Scott Gallerie, Meaghan Hart, George Phillips, Jessica Lansing, Chief Chris Lavin, Tony Manfredi, Alison Lovely, Susan McCarthy and Lisa O'Brien.

Special thanks to the Town Board – Deb DiMartino, Tom Grant, Mary Ann Matters and Tina Tierney – for doing the hard work that led to the accomplishments covered in this report.

Thanks for their hard work and dedication to the following:

Planning Board: Matt Mastin (Chair), Matt Polsinello, Jim Moore, Ralph Viola, Paul DiMascio, Mike Bottillo, and Jim Giordano.

Zoning Board of Appeals: Jeff Pangburn (Chair), Joyce Lapham, Domenico Pirrota, John Conway, Jr, Lou Polsinello III, Matt Ostiguy, and Robert Seward III.

Board of Ethics: Kathleen Luria (Chair), Judy Erhlich, Cheryl Vallee, Guy Warner, and Jessica Lansing.

Attorneys to the Town: David Gruenberg, Craig Crist, Joe Slater and George Hoffman.

2016 ANNUAL REPORT TO THE RESIDENTS OF EAST GREENBUSH

Jack Conway, Town Supervisor

December 31, 2016

In our platform for last year's campaign, Tina Tierney, Tom Grant and I promised that the Town Supervisor would issue an Annual Report to the people of the Town as part of our plan for increased transparency. This report fulfills that promise.

Our mission statement as we took office was as follows:

“... to provide essential Town services in the most cost-effective manner; institute ethical, transparent and accountable government; develop effective means of financial recovery; establish collaboration between Town officials and the public; promote smart development; maintain and upgrade the Town's infrastructure; attract and retain businesses by making East Greenbush a good place to do business; and promote a strong sense of community.”

These remain the central goals of the current Town Board. Significant progress has been made but more remains to be done.

Town Operations

When we took office, we were disappointed at the condition of the equipment and facilities required to operate our Town government. This was the result of difficult decisions that had to be made by previous administrations faced with limited options due to financial stress. One of the prerequisites for the delivery of essential Town services is that the equipment necessary to do the job be maintained and upgraded as needed. Also essential to the delivery of services is a rational and efficient deployment of staff. The changes implemented in Town Operations in 2016 fall into four general categories: personnel issues; information technology; equipment; and physical plant. The acquisition of equipment will be addressed in the sections on individual departments; the other three are considered here.

Human Resources

Important changes were made in the hiring process based on the fundamental proposition that Town employees must be hired exclusively on merit. For the first time, all full time positions were posted on the Town website, advertised in the newspaper, and filled in an open competitive process. Also for the first time, most Town employees were held over from the previous administration despite the political changes resulting from the election. This was because of

their superior credentials and experience. Once we assumed office, all interviews for new hires featured department personnel who actively participated in hiring decisions. No political input was solicited or accepted.

The full time position of Human Resources Manager was created to facilitate the new system of hiring, update and implement written personnel policies, address training and professional development needs, process payroll and retirement issues, prepare and submit mandated State reports, and work closely with department heads to analyze and understand their personnel issues. The creation of this position freed the Director of Finance to focus more on preparing the Tentative Budget, developing a financial tracking system for the Supervisor, overseeing invoices and vouchers for the Wastewater Treatment Plant upgrade, researching health insurance options, and working on special projects.

Following a safety inspection of all Town facilities by the New York State Public Employee Safety and Health (PESH) bureau, we did an inventory of the safety features of all Town buildings and developed a comprehensive Workplace Violence Prevention Policy; all Town employees were trained to follow and understand the issues covered by the new policy. We also prepared and passed a Policy Against Sexual Harassment and Gender Discrimination. Employees received training on this important document as well.

Information Technology (IT)

The Town required a substantial upgrade in its information technology. The existing network servers were running on Microsoft Windows 2003 operating system software, with a high probability of unauthorized data access to confidential information, random network outages, unreliable data backup, little available memory, and the absence of a disaster recovery system and plan. There was a distinct possibility of data loss for all departments in Town Hall. Since so much of the information held by the Town is confidential – court records, police files, personnel files, etc. – the vulnerability of our data was unacceptable. The Town Board moved quickly to repair the situation, authorizing the replacement of the servers, a project that was completed in May. We also purchased twelve new computers, six for the Police Department and six for Town Hall, that allowed us to replace machines that were, in some cases, twenty years old. We also entered into a three-year service agreement with Diagnostic Services to keep our information technology in working order so that our business can be conducted without interruption. To facilitate the work of the Town Clerk, a Point of Sale computer was purchased and installed.

The Town website, which is considered inaccessible by residents and difficult to work with by Town staff, is sited on an outdated platform, lacks functionality and is currently not ADA-compliant. To remedy these problems, the Town Board contracted with Web Instinct for

the design and implementation of a new website. Our staff has been working diligently with Web Instinct to create a new information architecture and a more user-friendly site. We're researching the best way to archive Town Board meetings so that residents who can't attend can still follow the workings of their Town government. We anticipate that the new website will go live in 2017.

We also contracted with General Code Publishers to reconsolidate and index Town codes and provide for their publication on the new Town website in an online program called eCode 360. The Town Code was originally published in 1991. Since then, amendments and new Local Laws have been passed but this information is nowhere available in easy and accessible form. The contract with General Code includes an editorial and legal analysis that will result in a recodification of the Town Code. They will assemble all amendments and Local Laws passed since 1991, simplify the organizational structure for easy access, and integrate them into an easy-to-use format for residents, developers and staff to access Town codes in a single electronic format.

Physical Plant

The upgrade to the Wastewater Treatment Plant will be discussed below. A number of renovations were made to Town Hall. The Town Board issued a Request for Proposals to select contractors for various general construction, electric, HVAC and plumbing services. Vendors with the best cost structure were selected so that when work was required we had them available without having to bid each individual project. We replaced the carpeting in the Water and Sewer Billing office. We implemented a structured cabling installation plan in concert with the installation of the new network servers which allowed us to solve problems such as loss of network connectivity, latency on the network, inefficient routing, and the unsightly and potentially hazardous placement of network cable in work areas. A new postage meter – an FP PostBase 85 – was purchased for Town Hall.

Town Hall staff undertook a landscaping project to improve the look of the front of Town Hall and we purchased a Christmas tree for the front lawn. Parking spaces, including the handicapped spaces, were lined to improve access to the building.

The heating system in the Police Station was replaced.

Town Finances

The financial state of the Town is improving after years of uncertainty. The bad news: we're in our seventh year with a municipal bond rating in junk bond status or worse; our financial records for three of the last six years are unable to be audited; and we have incurred a great deal of debt in the project to upgrade the Wastewater Treatment Plant while still struggling with the effects of a 2008 service agreement with the Rensselaer County Water and Sewer Authority that has left us with more than \$600,000 per year in payments. We still have inter-fund debt although we have been able to reconcile some of those accounts. There is good news as well. We have positive fund balances in our General, Highway, Sewer and General Water Funds. Spending was reduced in 2014 and 2015, and our Town Comptroller was able to make sense of the books so that our 2015 accounts have now been audited. It will take three consecutive years of audited financial statements to restore our credit rating with Moody's Investor Services but at least that process is finally underway.

The most difficult aspect of our financial situation is achieving the proper balance between spending and maintaining sufficient fund balance in reserve. Vastly reduced spending in 2014 and 2015 helped us gain control of our finances but left many important matters unattended. Our two largest union contracts weren't resolved so the issue of retroactive pay increases once those contracts were settled had not been addressed. We fell further behind in paving the roads, no money was put into improving our parks, GEIS fees were not always productively deployed, the infrastructure of our service delivery system continued to degrade, and no effort was made to audit our books. Taxes were not raised in 2014 and 2015 so we were unable to solve any of these problems in a way that would have made the austerity project tenable in the long term.

Audits

In 2015 the Office of the State Comptroller's Division of Local Government and School Accountability conducted an audit of aspects of the Town's finances. In May 2016 they issued a report entitled "Town of East Greenbush Justice Court Operations Report of Examination." This audit covered the operations of the Justice Court for the period of January 1, 2014 – June 30, 2015. The report recommended that the Town Justices make monthly bank reconciliations and analysis of Court financial liabilities a higher priority and required the Town to present a corrective action plan to fix issues identified in the audit. The Town's response letter is included in this report as Appendix 1.

One of the most significant achievements of the Town Board this year was the insistence on retaining a qualified independent auditing firm to conduct an audit of the our 2015 Annual Update Document (AUD), the primary financial statement submitted to the Office of the State

Comptroller. At our June monthly Town Board meeting we passed a resolution authorizing the Town Comptroller to request quotes from qualified independent auditors for a 2015 Financial Audit and a Federal Single Purpose Program Specific Audit for 2013. Seven firms were invited to submit proposals. Four proposals were submitted and the Town Board selected UHY, LLP to conduct the two audits for a cost of \$40,000. UHY began the fieldwork for the 2015 audit on November 7, 2016 and completed it a month later. The results of the audit will not be publicly available until February 2017 at the earliest. Those results will be made public as soon as they are available. They have begun the fieldwork for the 2013 Single Purpose Audit and should conclude that aspect of their examination in January, 2017.

2017 Budget

The 2017 Town Budget will allow us to effectively provide essential Town services while maintaining an approach that is fiscally prudent and safeguards the use of taxpayer funds. Revenue projections were conservative with no increases projected for the County Sales Tax or the State Aid Mortgage Tax. The amount of total taxes to be levied is \$9,091,811, a tax increase of 1.47%. This tax increase kept us 1.148% below the New York State Property Tax Cap.

In addition to funding the delivery of essential services, the 2017 Budget included funding for:

- Accounting software and audits;
- License Plate Reader, Radar Trailer and two new vehicles for the Police Department (vehicles will be funded by asset forfeiture);
- 5 new positions for DPW – one in the Water Department, two at the Wastewater Treatment Plant, two in the Highway Department (one mechanic);
- \$500,000 for the Luther Road sidewalk project; this is taken from fund balance in the General Fund with the understanding that 80% of the costs of this project will be reimbursed by the State of New York;
- Repayment of \$683,794 in inter-fund borrowing from the General Fund (already accomplished);
- New Police, CSEA and Emergency Communications contract settlements;
- Security windows for the Receiver of Taxes and Town Clerk's offices.

For the first time, GEIS fees collected since December 2015 were described separately on the Analysis of Fund Balance page. Funding for the Ambulance District was held constant pending the negotiation of a new contract with the W.F. Bruen Rescue Squad. The salaries of elected officials remained the same with the exception of a 6.7% increase for the Town Justices. The Town Justices have not received a raise since 2007 despite a significant increase in their caseload since then. The budget was passed by the Town Board by a 4-1 vote.

Fund Balances listed in the budget are tentative pending the completion of fiscal activity for the year 2016; Fund Balances listed in the 2017 Budget are included here as Appendix 2.

Inter-fund Borrowing

One of the most controversial issues relating to Town finances has concerned efforts to retire a long-term inter-fund borrowing debt. The 2017 Town Budget included \$683,794 to repay the debt owed by the General Fund to water and sewer accounts but we were able to conclude this transaction in December. With this accomplished, the Highway Fund still owes \$344,242.70 to other funds. Also relevant in the context of inter-fund borrowing is a contested \$40,660.32 that the Town believes is owed to it by the Library district, a belief not shared by the Library Board. There is also an outstanding debt of \$124,225.83 that the Ambulance District owes to the Town based on a mistaken payment of \$262,978.25 made in 2013. The figures for inter-fund borrowing are included, for the first time, on the Analysis of Fund Balance page included here as Appendix 2.

Grants

An important aspect of improving the Town's overall financial position is our effort to find and apply for grants from outside funding sources. Director of Planning and Zoning Tony Manfredi has been instrumental in our efforts to locate and apply for grants.

- *Grants-Awarded*

Federal Transportation Improvement Program Funding- *\$589, 600*

In line with our Corridor Plan for Columbia Turnpike and in response to a 2016 pedestrian fatality, the Town applied for and received federal funding to address the lack of sidewalk infrastructure from Bruen Court to the Rensselaer City line. This project serves a dual role of enhancing pedestrian connectivity while making practical improvements to the 9/20 Corridor. The Town is required to provide a 20% match of the Federal funds. It is estimated that the design phase of this project will begin in 2017 or 2018 with construction likely in 2019. The total cost in 2019 dollars is estimated at \$737,000 with a total of approximately \$147,400 match from the Town and approximately \$589,600 representing the federal award.

Empire State Development - *\$2,000,000*

The Town applied for and received a \$2 million dollar Empire State Development (ESD) grant to facilitate the partnership between the Town and Regeneron Pharmaceuticals and spur economic development along Tempel Lane by providing for the extension of Tempel Lane to

Third Avenue Extension. This grant award from Empire State Development was the fifth largest ESD award in the State to a public entity and the largest to a single municipality. The award represents a ground breaking achievement in public/private partnership between a municipality and the private sector to achieve mutually beneficial economic development.

- *Grants- Not Funded*

NYS Consolidated Funding Application - **\$250,000**

The Town applied for \$250,000 in funding contingent on a \$250,000 local match to upgrade the Town Park. This grant was not funded. The design work for the Park that was contained in the application will serve as a road map to upgrade the Town Park over the next 24 months.

NYS State and Municipal Facilities Program - **\$1,600,000**

The Town applied to the State and Municipal Facilities Program for funds to subsidize the last phase (Outfall Piping improvements) of the Wastewater Treatment Plant upgrade. This grant was not funded.

- *Grants - Decision Pending*

New York State Department of Transportation - **\$1,000,000**

The Town has applied for funding to provide significant design improvements and pedestrian enhancements to the Route 4/Columbia Turnpike Intersection. These improvements were cited as crucial steps leading to the potential development of a mixed use Town Center on Columbia Turnpike.

Use of Consultants

One emphasis of the new Town Board has been a reduced reliance on consultants. The Town had become complacent in its overuse of consultants, partly because of the exigencies of the upgrade to the Wastewater Treatment Plant, and partly because the Town lacked both a Planner and an Engineer. With the addition of a full time Director of Planning and Zoning we have been better able to monitor and limit the need for high priced consultants. An analysis was conducted to compare Town spending on engineering consultants in 2015 and 2016. The analysis was based on vendor payment reports and focused on the four firms most often employed by the Town – Chazen Companies, Creighton Manning Engineering, Delaware Engineering and H.V. LaBarba & Associates. The analysis is presented in Appendix 3.

The analysis shows a savings of more than \$125,000 and a 22% decrease in the cost of engineering consultants in 2016. That figure is conservative since 80% of the payments to Creighton Manning for the Luther Road Sidewalk project will be reimbursed to the Town by the New York State Department of Transportation. The analysis is also affected by the fact that several large vendor payments made to consultants in January and February, 2016 reflect work done in 2015.

Citizens Financial Advisory Committee (CFAC)

In June, the Citizens Financial Advisory Committee (CFAC) was suspended and its members released from duty. CFAC was established in 2010 to assist and advise the Town Board in managing the Town's finances and to research and develop cost containment measures and revenue enhancements. By June 2016, the Committee had not met in more than a year and although some good work had been done, the results were often ignored by the Town Board and Town Supervisor. We are reassessing the purpose and mission of CFAC before reconstituting it with a new set of appointments and a clearer set of responsibilities.

Town Board

The work of the Town Board is the backbone of Town government. The five members of the Town Board bear ultimate fiduciary responsibility for the financing and operation of Town Government. The Supervisor is a full-time position but the other four members are part-time and paid \$10,000 per year, a figure that is not commensurate with the amount and quality of the work that they do. In my opinion, the entire Town Board worked harder this year than any Town Board in recent memory. The dedication and skill of the other four members of the Board has made this a highly productive year and I want to acknowledge and thank them for their hard work.

Public Meetings

Transparency and accountability are the hallmarks of effective government. To facilitate these objectives, the Town Board moved pre-board meetings to the evening so that more people would be able to attend. We added a public comment period to the pre-board meeting format. The question-and-answer format was restored to Town Board meetings to improve the flow of information to the public on issues of concern to individual residents.

Several significant improvements were made to the structure and substance of Town Board resolutions. Resolution 114-2016, passed at the June monthly meeting, repealed a previous resolution governing the inclusion of a financial impact statement by the Town Comptroller, and replaced it with a requirement for a more detailed financial impact statement in

all resolutions that have a fiscal impact on the Town. This resolution was designed to ensure that the Town Board is cognizant of the financial implications of every action it takes, and clearly specifies the information required from the Town Comptroller to realize the intent of the resolution. Resolution 114-2016 excludes resolutions that have no impact on Town finances, such as approving the minutes of meetings or proclamations honoring the achievements of Town residents, but requires a Financial Impact Statement for all other resolutions that includes: a determination if the expenditure was budgeted; the budget line item name and number; information regarding any budget transfers, cash management, and/or debt service; and a statement indicating if there is no financial impact or if that impact is yet to be determined.

Resolution 125-2016 imposed new rules for the timely submission of resolutions so that the public is sufficiently apprised of proposed actions by the Town and so that Board members have adequate time to review resolutions on which they must vote. This resolution rescinded Resolutions 169-2010 and 13-2015 and required that resolutions be submitted to the Supervisor in their entirety in a timely manner for inclusion on the pre-board meeting agenda. It required resolutions submitted after the pre-board meeting to have a recitation indicating when the Town Board received the resolution.

Sewer Rates

By the time the upgrade to the Wastewater Treatment Plant is completed, the Town will have incurred \$15.6 million in new debt. When we conducted the analysis that led to an increase in sewer rates, estimates of the annual debt service on the long-term financing provided by the Environmental Facilities Corporation ranged from \$650,000 to \$700,000 per year. Although the Town was aware that this debt loomed in its future, no arrangements were made to meet this significant annual cost, either through the tax levy, user fees or grants and subsidies from other governmental sources. User rates for the sewer system had not been raised in five years and it had been eight years since the minimum charge had been adjusted. During those time periods, the cost of wastewater treatment and disposal as well as the general maintenance costs associated with pumping and conveyance had increased significantly. To meet the financial demands associated with the debt service and rising costs, we considered various methodologies to solve the problem while trying to achieve an equitable rate structure for consumption-based fees for all customers.

Councilor Tina Tierney and I conducted an analysis of the existing rate structure, compared several statistical scenarios, and determined the best approach to raising the sewer rates. We made a public presentation of our analysis of the existing system on March 9, 2016 and published the presentation on the Town website the next day. We followed that with a public presentation on the methodology used to determine the rate increases and a public hearing

on March 16, 2016 and published that presentation on the Town website the next day. On April 13, 2016 we held another public hearing on the rate increases.

The essence of our analysis was that the Town required a continuous improvement process to rationalize the rate and tax structure used to finance our entire wastewater treatment system. The Town has four sewer districts – General, Hampton Manor, Couse and Third Avenue – and each has a different history based on when it was established and how much debt was incurred for capital costs within the district. As we began this year, there was an inequitable rate structure with residents in the General District paying \$1.42/1,000 gallons of use over the minimum while residents in the Couse and Third Avenue districts were paying \$2.59/1,000 gallons. To complicate matters further, Hampton Manor residents were paying a flat fee. Residents in the General, Couse and Third Avenue districts are billed quarterly while Hampton Manor residents are billed every six months. These complications in the user rates were matched by complications in the tax levy for water and sewer districts. Homeowners in the General District have their sewer tax levy calculated according to the number of linear feet on the front of their property while those in the other districts are taxed on an ad valorem basis. In three of the districts, residents receive a separate tax levy for water and sewer; in Hampton Manor a single line item in the tax bill covers both water and sewer.

The continuous improvement process outlined in our presentation had two related objectives: (1) equitable billing; and (2) consolidation of the four districts into a single Town-wide sewer district. Neither objective could be realized in time to begin the process of paying off the massive debt service we had incurred. This was why it is called a “continuous” improvement process. It began with the rate increases approved by the Town Board this year as Local Law #1 of 2016, passed on April 28, 2016 by a 5-0 vote. The basic rate increases were as follows:

District	Increase	New Rate (per 1,000 gallons)
General	69%	\$2.40
3 rd Avenue	35%	\$3.50
Couse	35%	\$3.50
Hampton Manor	50%	Flat rate \$78/ six months

Although the relatively higher increase in the General District improved the discrepancy between districts it did not solve it. We have adopted a multi-faceted strategy to rationalize the inequities and inconsistencies in our sewer pricing system. It includes:

- Annual Review of the tax levy;

- Renegotiate and increase commercial connections;
- Seek consolidation grants;
- Determine the future of the Hampton Manor water and sewer system;
- Quarterly review of user rate data with annual adjustments as needed;
- Begin the process of researching the legal and fiscal implications of creating a single Town-wide sewer district.

Code of Ethics

An important objective for the new Town Board was to minimize the role of politics in the business of Town government. Critical to achieving this objective was a revision of the existing Code of Ethics. The Board of Ethics was asked to propose a revised Code and a draft was submitted to the Town Board, which reviewed the draft and made some revisions before publishing the amended Code for the purpose of holding a public hearing. The Board of Ethics, chaired by Kathleen Luria, did an extraordinary job with their proposed revisions to the Code. They worked strenuously and held a series of often lengthy public meetings. I thank them for the dedication and professionalism which they brought to the task.

The most important changes in the revised Code are:

- More extensive disclosure of financial information by Town officials;
- Stricter guidelines on future employment;
- Tighter nepotism provisions;
- Changes in rules on political activity and solicitations: members of the Town Board, Planning Board, Zoning Board of Appeals, and five policy making Town appointments are prohibited from serving on political committees;
- Specification of causes for removal of members of the Board of Ethics.

After two public hearings, the revised Code of Ethics was approved as Local Law #3 of 2016 on October 19, 2016.

Labor Contracts

When this Town Board took office in January, two of the three unions that represent Town employees were out of contract. The third had a contract that would expire at the end of 2016. One of our top priorities was to successfully negotiate new contracts with all three unions so that all union employees would be under current contracts.

We successfully negotiated a new contract with the East Greenbush Police Officers Union, Local 1951, of Security and Law Enforcement Employees, Council 82, American

Federation of State, County and Municipal Employees, AFL-CIO. They had been out of contract since January 1, 2014. The term of this contract runs from January 1, 2014 – December 31, 2018. The Town Board ratified the new contract by a vote of 4-0 (one member absent) at its June 15, 2016 meeting.

We successfully negotiated a new contract with CSEA Local 1000 AFSCME, AFL-CIO, Town of East Greenbush Unit #8257, Rensselaer County Local 842. This unit, which represents our Department of Public Works employees, had been out of contract since January 1, 2014. The term of this contract runs from January 1, 2014 – December 31, 2018. The Town Board ratified the new contract by a vote of 5-0 at its September 21, 2016 meeting.

We successfully negotiated a new contract with The East Greenbush Emergency Communications Association, Local 3708, Council 82 AFSCME, AFL-CIO. This unit, which represents our dispatchers, had a contract that was set to expire on December 31, 2016. The term of this contract runs from January 1, 2017 – December 31, 2019. The Town Board ratified the new contract by a vote of 5-0 at its December 31, 2016 meeting.

All union employees are now under current contracts. This reflects sound management practice, allows for accurate budgeting, and, most importantly, shows the respect and appreciation we have for the hard working men and women of these departments. East Greenbush is widely perceived as a safe place to live and that is primarily due to the work of the members of these three negotiating units.

Hampton Manor Water

Two public meetings were held for the residents of Hampton Manor to discuss what could be done to improve the quality of drinking water in Hampton Manor. The Town Board and our DPW Water Foreman Tom Kennedy met with residents to decide whether they wanted to stay with Hampton Manor water or join the General Water District. At the second meeting we announced a survey that was put on Survey Monkey. We received 132 responses. Some of the key findings of the survey were:

The most serious problems were identified as: build up that affects faucets or other appliances (40.94%); water that stains sinks, tubs, etc (40.16%); taste (32.03%); discoloration of water (29.23%); and rust in water (27.13%). We found that people use multiple strategies for treating the water: 60.16% use water softeners, 54.47% use bottled water and 44.72% employ a water filter.

Responses to the key question of what should be done were as follows:

- Stay with HM water with improvements 38.35%
- Change to Troy water with individual meters 32.33%
- Not Sure 14.29%
- Stay with HM water with no changes 8.27%
- Change to Troy water with master meters 6.77%

To obtain further information on the Hampton Manor water system, we contracted with the Utility Service Group to conduct an inspection of both the large tank (140,000 gallons) and the small tank (75,000 gallons) on Hudson Avenue. On the small tank, their conclusion was that we should evaluate the cost of replacement. The exterior coating is in fair to poor condition and the interior coatings have surpassed the end of their useful life. Part of the roof has sagged approximately 25% and the interior ladder is dangerous and must be replaced. On the large tank, the interior and exterior coating have serious problems, there is excessive sediment, and the ladder needs new parts.

The next step is to identify the cost of replacing/repairing the tanks. We are preparing a Request for Proposals (RFP) to obtain the best price for a firm to conduct an analysis of the costs of various solutions to the water problem in Hampton Manor. This cost analysis will be presented to residents at the next public meeting which will be held in early 2017.

Support of Important Causes

An important function of a Town Board is to recognize and promote awareness of issues that have an impact on the community. In 2016, the Town Board officially declared its intent to recognize and promote awareness of a number of issues:

Proclaimed *Police Week in East Greenbush* for the week of May 15 – May 21, 2016. National Police Week was designated to provide special recognition for those law enforcement officers who lost their lives in the line of duty.

Recognized September as ‘*Childhood Cancer Awareness Month*’ and declared September 28, 2016 as ‘*East Greenbush Goes Gold in Honor of Sean Jucha Day.*’ Sean Jucha was a 13-year old child from East Greenbush who fought a brave battle with Gliomatosis Cerebri, a rare form of brain cancer, and inspired an entire community to come together and honor his memory with fundraising efforts for the Dana Farber Institute and Jimmy Fund.

Recognized October as ‘*Domestic Violence Awareness Month*’ and declared October 19, 2016 as ‘*East Greenbush Goes Purple Day.*’

Also recognized October as '*Breast Cancer Awareness Month*' and declared October 21, 2016 as 'East Greenbush Goes Pink Day.'

On March 16, 2016, the Town Board passed a resolution in support of consistent State funding for local infrastructure and maintenance that would be distributed based on a fair and equitable formula.

Honors

The Town Board honored a number of residents and Town employees:

- Columbia High School Varsity New York State Bowling Champions;
- Columbia High School Science Olympiad State Champions;
- East Greenbush Police Officers Mark Mann and Matthew Breig on the occasion of their retirements;
- Local businesswoman Nancy Keenholts on the occasion of her retirement (Country Trunk);
- Yankee Trails World Travel on their 60th Anniversary;
- East Greenbush Fire Department on their 100th anniversary;
- Honored Police Officers Edward Ashley, Michael Guadagnino, Michael Herrington, Mark Herrington, Peter Lavin, Nicholas Peter, Matthew Wyld and Sergeant Ernest Tubbs for excellence in the area of traffic enforcement and having issued 1,953 Traffic citations and making 61 DWI arrests;
- Columbia High School Art Club students for the new mural in Hampton Manor Park;
- Gerald Middleton for 50 years of service to the Best-Luther Fire Department

Honor a Veteran

On March 16, 2016 the Town Board established the Honor a Veteran program. Conceived and administered by Town Historian Bobbie Reno, the Honor a Veteran program is designed to honor those Town residents who have served our country with distinction. Those honored this year were:

- June 13, 2016:

Ruth H. Leeson, WWII, United States Marine Corps

Anthony Rossello (now deceased), Korea, United States Marine Corps

- July 18, 2016:

Henry Rivet, WWII, US Army Air Corps

Gordon John Middleton, WWII, United States National Guard and United States Army

- August 15, 2016:

Harold Dusenbery (now deceased), WWII, United States Navy

Andrew Carras, WWII, United States Navy

- August 26, 2016:

Russell Edward Edberg, United States Army and United States Army Reserves (unable to attend).

- September 19, 2016:

Mary Leona Graton Comstock, WWII, United States Army

Douglas Hamilton, United States Air Force

Norman F. Simmons (deceased), WWII, United States Navy

Edward C. Ginnock, Jr.(deceased) , United States Army, Korea

- November 15, 2016:

Oliver Dyer Higgins (deceased), WWII, United States Marine Corps

William J. Murphy (deceased), Korea, United States Army.

Opposition to Pipelines

The Town Board declared its opposition to two pipeline projects this year. The Pilgrim Pipeline was a proposed 178 miles of bi-directional pipeline that would connect Albany, NY with Linden, New Jersey. Crude oil from the Bakken shale would travel south in one pipeline and refined products would travel north in a second pipeline. The Board passed a resolution which opposed the New York State Thruway Authority acting as co-lead agency for the SEQRA

review of the project. A second resolution opposed the Pilgrim Pipeline itself, and a third opposed New York State Assembly Bill A9831, the legislation that would approve the project.

The Board also opposed Kinder Morgan's proposed Northeast Energy Direct (NED) pipeline. We also supported NYS Assembly Bill 10468 which would give Towns the same rights as villages and cities to disapprove the construction of pipelines in their jurisdictions.

Residency as a Requirement for Employment with the Town

In the past, the residency requirement was used to limit the pool of applicants and facilitate patronage hiring. This Board has taken a flexible approach to the requirement that Town employees must reside in the Town of East Greenbush. In all cases, residents will be given a preference if their qualifications are equal to non-residents but in an effort to widen the pool of applicants, the residency requirement was waived or eliminated for some positions. The Town Comptroller was given a two-year waiver of the residency requirement. Local Law #2 of 2016 modified the residency requirement for the Commissioner of Public Works so that the appointee must be a resident of Rensselaer County or a contiguous county. The Board also entered into a Memorandum of Agreement with the Police Department and Emergency Communications unions to waive the residency requirement with the provision that full time employees living out of Town must forfeit three vacation days. Waiver of the residency requirement for the police department increases our ability to recruit lateral transfers. This allows us to hire experienced officers and save the cost of sending new recruits through the police academy.

The residency requirement has been maintained for Department of Public Works and Town Hall employees.

Departments

Assessor

In July, Judy Goodyer retired as the Sole Appointed Assessor. She had completed three years of a six-year term. Susan McCarthy was appointed to complete Ms. Goodyer's term. Sue McCarthy was our Sole Appointed Assessor from 1985-2010 and brings a wealth of experience to the job.

The Town Board retained Dan Vincelette and the Vincelette Law Firm to handle tax certiorari cases and the result was a sharp decline in lost commercial valuation. The annual figures for 2014-2016 are listed below:

	2014	2015	2016
Total Reduced Valuation	\$6,522,300	\$19,975,300*	\$1,600,100

* Includes a \$15 million reduction for Fed Ex.

Building Department

In the Building Department, 2016 was marked by changes in personnel. Building Inspector Joe Cherubino retired after 34 years with the Town but continued to help out on a part-time basis while we re-staffed the department. Thanks to Joe for his many years of dedicated service to the Town. Deputy Building Inspector Ron Stark resigned to take a job with New York State. Thanks also to Ron for his skill and dedication. We appointed Kevin Hitchcock to the position of Code Enforcement Officer. Kevin had previously worked in our Building Department and we were fortunate that he accepted our offer to return. Kevin will supervise the department. In the fall, we hired Nick Petramale as Assistant Building Inspector. These transitions were made easier by the steadfast hand of department clerk Joyce Marchesi who continued her record of excellence in serving Town residents.

Parks and Recreation

Significant strides were made by our Town Services Coordinator Jessica Lansing in the administration of our Parks and Recreation programs. The Parks Rental Process was reorganized and new rates established. The Parks and Recreation rules and regulations were updated and adopted by the Town Board. Behan Planning and Design updated the 2012 Amenities Plan to more accurately reflect the goals and objectives established by the Town Services Coordinator and Town Board for the Town Park.

Program accomplishments for the department include:

- Improvements to Hampton Manor Park:

- Purchased and installed new playground equipment;
- Organized a Clean the Park Event;
- Replaced the gazebo that had been destroyed by vandalism;
- Sponsored the painting of a mural by the Columbia High School Art Club;
- Transformed the old tennis courts into four square courts;
- Controlled the goose population.

- Another successful year of Summer Camp with increased attendance for the 3rd straight year;
- Initiated senior social events (e.g. Paint and Punch), held meetings with seniors to discuss what new programs they would like to see, and announced a new calendar of events for seniors for 2017.
- Expanded the variety of Music in the Park bands to better serve residents of all ages;
- Organized another successful Town Festival;
- Sponsored a successful Spotlight on Youth ceremony;
- Sponsored the annual Town-wide garage sale;
- Matched grant from NYS Office of Parks and Recreation to find the source of contamination in the pond at the Town Park;
- Coordinated efforts to begin work on clearing space to move the Dog Park at Town Park; and
- Worked with the Planning Department to apply for grants to improve the Town Park.

Planning and Zoning

The Town Board made planning a priority with the appointment of Tony Manfredi as Director of Planning and Zoning. The Town had been without a planner for two years and this had resulted in a splintered review process and a lack of coordination between the Building Department (which had assumed some of the functions of the planner) and the Planning Board and Zoning Board of Appeals. The first task of the new Director of Planning was to establish a process for handling planning applications in a fair and equitable manner. This included closer coordination between the Planning Office and Building Department. The new Director enhanced reliance on in-house staff and the Planning Board as advisors to the Town Board on development issues, increased the quantity of technical meetings on projects and reduced reliance on consultants.

At its February 17, 2016 meeting, the Town Board issued a Request for Proposals for engineering services. The RFP specifically requested firms that had the ability to design and analyze in these fields: Structures; Highway; Hydrology; Storm Water; Sanitary; Potable Water Service; Environmental; Traffic; Survey; Planning; and Construction Inspection. One goal was to

diversify the planning review process while retaining access to consultants on the basis of specialty. As a result of this Request for Proposals, we approved the following list of firms to provide consulting services to the Planning Department:

Greenman-Pedersen, Inc. for general engineering services;
Delaware Engineering, D.P.C. for water and wastewater infrastructure;
Behan Planning and Design for parks, trails and community amenities;
CT Male Associates, D.P.C. for construction management, structural and grants;
Barton & Loguidice for storm water and green infrastructure;
MJ Engineering and Land Surveying, P.C. for environmental services and green energy;
Creighton Manning for traffic, sidewalks and highway design services;
LaBerge Group for GEIS updating.

In 2009, the Town prepared a Western East Greenbush Final Generic Environmental Impact Statement (GEIS) to evaluate the cumulative impacts of growth within the study area. Mitigation fees were proposed to provide an equitable means of distributing the costs of infrastructure development. These are assigned in five categories: GEIS (updating the GEIS document); land use and GIS; water/sewer; recreation and traffic. For the first time, five individual dedicated accounts were established, one for each of the five categories. We empaneled a GEIS Committee consisting of one Town Board member (Tina Tierney, who will serve as Chair), the Town Supervisor, Town Services Coordinator, Director of Planning and Zoning, and the Commissioner of Public Works. The Town Comptroller and Director of Finance will provide tracking and accounting services for the group. The GEIS Committee will oversee GEIS fee assessment and accounting of GEIS fees, and recommend disbursements of funds. It will also make recommendations regarding the need to update policy and the GEIS study. This committee was responsible for drafting the new GEIS Policy that was approved by the Town Board at its December meeting.

We made less progress on the revitalization of Columbia Turnpike than we had hoped. We applied for and received a \$589,000 Federal Transportation grant to place sidewalks from the Rensselaer city line to Bruen Court. We have a design for a \$50,000 landscaping plan for the front façade of the Wastewater Treatment Plant, and have budgeted more than \$32,000 in 2017 for potassium permanganate treatments to reduce the odor emanating from the plant. We developed a framework for a Rapid Action Plan that would provide financial incentives for development and redevelopment on the Turnpike. These would include:

- A 50% reduction in GEIS fees for traditional strip development;
- A 100% reduction in GEIS fees for pedestrian oriented mixed use development that complements and helps achieve goals outline in the corridor development studies;

- Reconsideration of the GEIS fee schedule in 2017;
- Cultivate commercial projects that can be combined with Empire State Development incentives

We would also like to create zoning incentives to spur redevelopment at key locations on the Turnpike. To date, we have focused our efforts on the Gateway area, which runs from the SUNY Health Science campus to Kmart, and the Town Center area, which is focused on the intersection of Columbia Turnpike and Route 4. We have applied for a \$1,000,000 State Department of Transportation grant to fund improvements at that intersection. Now that the Building Department is once again fully staffed, we plan to launch an aggressive strategy of code enforcement to clean up the Turnpike. The demolition of the old Weathervane building is a harbinger of things to come as we seek to improve the appearance of the corridor in an effort to attract new businesses.

One of the reasons that we haven't been able to intensify our efforts to revitalize 9 & 20 is that the Planning Department has been busy with the unusually large number of development projects currently at various stages of the review process. A list of projects currently under review is contained in Appendix 4.

We had a successful year working with Regeneron Pharmaceuticals to facilitate their plans for expansion in East Greenbush and Rensselaer County. A new four story office building and parking garage are nearly complete on the Discovery Drive Campus. There is a new pedestrian bridge over Discovery Drive. We are currently receiving final comments on the Supplemental Draft Environmental Impact Statement (SDEIS) for their 187,000 square foot warehouse proposed for Mill Creek off Tempel Lane. We received a \$2 million grant from Empire State Development Corporation to help facilitate road and utility enhancements needed for the site. Regeneron is an exciting, innovative company that has brought hundreds of high paying jobs to East Greenbush and we look forward to a successful private/public partnership with them for many years to come.

The Town Board also passed Local Law #4 of 2016 to amend Section 4 of the Town's Land Subdivision Regulations. Previously, only the Zoning Board of Appeals was required to notify homeowners within 200 feet of a case that was being considered by that Board. Local Law #4 extends the same courtesy to neighbors of projects being considered by the Planning Board.

Police Department

The East Greenbush Police Department had another successful year of keeping the community safe. Staffing concerns were a primary focus this year as the department had a number of retirements in the last two years and another one scheduled for the beginning of 2017. Two candidates have received conditional job offers, one a lateral transfer and the other a new recruit who will attend the Zone 5 Police Academy starting in January 2017. In addition, two officers, Elaine Rudzinski-Miano and Michael Guadagnino, were assigned to the Detectives Office. We appointed Steven Poole as a full-time Dispatcher. Robert Bennett was appointed as the Town Board's representative on the Police Training Committee.

We purchased one new Ford Police Interceptor Utility Vehicle for the department. The servers in the Police Department were replaced and six new computers purchased. In December, we replaced the heating system in the Police Department. We approved the replacement of all department tasers and asked the Chief of Police to begin pricing the acquisition of tourniquets. A contract was executed with Capital Digitronics to replace the Ridge Road 800 MHZ radio antenna system. The 2017 budgets includes funds for the acquisition of:

- Variable Speed Radar Trailer (used for neighborhood speed awareness);
- License Plate Reader (technology that helps to identify stolen, and unlawful vehicles);
- Replacement of two high mileage police cars;
- Update of the Police Department website and its integration into the Town website

A major initiative of this Town Board has been its requirement that our Police Department receive its accreditation under the New York State Law Enforcement Accreditation Program. Administered by the NYS Division of Criminal Justice Services through its Office of Public Safety's Law Enforcement Accreditation Program, the accreditation process was established as a voluntary program to provide law enforcement agencies with a mechanism to evaluate and improve the overall effectiveness of the agency and the performance of staff. The program consists of 110 standards that measure and evaluate the performance of a police department. Of these standards, 52 are administrative, 12 are training and 46 are operations standards. Agencies are required to meet every component of each standard to be considered in compliance. Councilor Tom Grant and I have conducted a series of meeting with Police Chief Christopher Lavin to monitor the progress of our department in preparing for its accreditation review. We are currently in the process of having an outside expert conduct a mock assessment so that we can tighten up our policies and procedures prior to submitting them to the State. We

had hoped to receive our accreditation in 2016 but are now on track to complete the process by July, 2017.

We are still struggling with space and functionality limitations in our Police Department's physical plant.

The Chief of Police will issue his own annual report in his year-to-date monthly report at the end of January.

Public Works

Our first Commissioner of Public Works, Paul Mason, retired in July, 2016. He was succeeded by the current Commissioner Scott F. Gallerie in August, 2016. At its November 16, 2016 meeting, the Town Board approved the organizational chart/staffing plan submitted by Commissioner Gallerie. The Department made two hires, one in the Water Department and one for the Wastewater Treatment Plant.

Two trucks were purchased for the Department of Public Works: a 2016 Ford F-550 dump truck and a 2006 Ford F-350 service truck, both for the Highway Department. Both were necessary purchases but neither puts the department close to minimum standards. The Board also authorized the Commissioner of Public Works to solicit bids for a 2017 Model 7500 4x4 Truck and Plow and a High Flow Articulated Compact Loader to clean sidewalks.

A number of major repairs to existing equipment were undertaken, including the Water Department's JCB Backhoe, a single axle dump truck with plow and wings, and the emergency repair of a front snow plow. The Board is conducting an analysis on the possibility of taking out a Bond Anticipation Note in 2017 to address the need to upgrade the quality of the DPW fleet. In anticipation of that, our Commissioner of Public Works, Scott Gallerie, assembled an inventory of the fleet which indicates the age, estimated replacement value, and priority for replacement of each vehicle. The inventory is attached to this report as Appendix 5.

An important achievement was the removal of the underground fuel tanks at the Town's Highway Garage. In April, 2013, the Town was issued an Order on Consent (#R4-2013-0320-47) by the NYS Department of Environmental Conservation for Petroleum Bulk Storage violations based on the fact that one of the underground fuel tanks had a leak in the interstitial space and had to be replaced with an above-ground split 4,000 gallon fuel tank. The Order on Consent required that the Town remove the underground fuel tank and install a replacement. The first step has been accomplished; the underground tank has been removed and, importantly, no evidence was found of a leak in the interstitial space. In early 2017 we'll go out to bid for the installation of the replacement fuel tank.

The paving budget was more than doubled this year to a figure of \$273,098. The Town Board, in consultation with the Commissioner of Public Works, created a list of roads that had to be paved in 2016 and a second list of roads that needed paving but for which we currently lacked funding. Past administrations have depended on CHIPS funding for the bulk of the paving budget but we budgeted an additional \$50,000 in 2017 and Commissioner Gallerie has revisited our road inventory because it seems we haven't received all of the CHIPS funding that we should. Both paving lists are included in Appendix 6.

Between February and June three sinkholes emerged on Hydor Drive. The sinkholes occurred because of erosion at the bottom of the storm water pipes. We engaged Kenyon Pipeline Inspection LLC to examine the condition of the pipes for the length of Hydor Drive. Although the development had been built in 1993, we had to repair 700 feet of pipe using trenchless technology. I declared a local State of Emergency and the Town Board met in a special session to ratify that decision and authorize the selection of the low bidder after a mutually agreed process for the solicitation of bids. We repaired the length of pipe.

The Board entered a snow and ice removal agreement with Rensselaer County to cover certain County roads. We also approved a cooperative agreement with the East Greenbush Central School District to help pave the parking lot on Gilligan Road that serves the Little League, Softball leagues, SORENSCO Babe Ruth League, and the district for school teams.

Wastewater Treatment Plant

In 2012 the Town Board authorized the reconstruction of the Town's wastewater collection and treatment system at a maximum cost of \$14,000,000 and approved the issuance of an amount not-to-exceed \$14,000,000 of bonds and notes to finance the project. On January 27, 2016, the Town Board passed a supplemental bond resolution to increase the cost of the project to \$15,600,000 and approved the issuance of an additional not-to-exceed amount of \$1,600,000 in bonds and notes to complete the financing of the project. The project included reconstruction of the wastewater treatment plant (WWTP), pump stations and the sanitary sewer collection system. The additional \$1.6 million was needed to complete the outfall piping that would improve the connection to the Hudson River.

In December of 2014, the portion of the upgrade project aimed at regulatory compliance was completed, allowing the moratorium on sewer connections to be lifted while construction of longevity improvements aimed at extending the useful life of the facility and providing a sustainable solution for waste management continued with a projected completion date of November 25, 2015. The project encountered several major obstacles, including a sludge spill in March 2015, and a rain event in September 2015 that damaged the structural integrity of the

Chlorine Contact Tank. The November 2015 completion date was pushed back to May 27, 2016. Although the May deadline was also missed, the upgrade to the plant itself is now substantially complete, with only punch list items still to be addressed.

In addition, in September, the Town closed on low-cost long term financing for the treatment plant improvement project, which together with enhanced management of this many million dollar public asset will assist in providing a viable treatment system to support residents and businesses in our community. Looking forward, the off-site work on the outfall piping that conveys the treated water from the wastewater treatment plant to the Hudson River will be completed in 2017, concluding a major investment in public infrastructure within our Town. At that time we'll turn to the remaining paving and landscaping issues so that we can finally complete what has turned out to be a lengthy and difficult project. The good news is that we'll finally have a state-of-the-art treatment plant that will serve as an important capital asset for the Town.

Challenges at the wastewater treatment plant continued during 2016 and while difficulties remain, operations have now been normalized. We contracted with Delaware Engineering to provide a senior operations consultant, and we brought back former plant operator Terry Sharp on a part-time basis to help our staff understand how to operate and maintain the upgraded plant. We also hired a new staff member for the plant and will add another in 2017.

2016 was fraught with challenges in our efforts to complete work on the main plant and prepare for the outfall piping phase that would allow us to declare the upgrade project to be substantially completed. A brief chronology of the issues follows:

- January: U.W. Marx replaced the Aluminum Entrance to the Control Building.
Steel plate work was completed at the Sludge Building.
Town Board approved \$1.6 million in additional funding.
Work began to rebuild the Plant Laboratory.
- February: Town Board votes not to pay the \$55,000 we owe to Servpro for sludge spill clean-up. Lawsuit continues, interest continues to accrue on the \$55,000.
- March: Installed a concrete pad at the Overhead Entrance Door.
Executed an agreement with QA/QC Laboratories to conduct soil borings for the Outfall Piping improvements.
- April: Amended professional services contract with Delaware Engineering to incorporate design of Outfall Piping improvements and provide construction inspection for final phase of project.

Applied unsuccessfully for NYS funding to pay for the \$1.6 million final phase.

Town Board passed a resolution requiring monthly maintenance and repair reports on WWTP.

June: Replaced the non-potable water pump.

July: Amended professional services contract with Delaware Engineering to prepare the final plans and bid documents, regulatory and finance approvals, assist with bidding and awarding of contracts, and provide operations consulting staff to get the new plant into regulatory compliance with DEC mandates.

September: Solicited bids for Outfall Piping phase.

Closed on long term financing with the Environmental Facilities Corporation for \$15.6 million.

October: Awarded contract for Outfall Piping to Wm. Keller & Sons in the amount of \$1,237,000. Declined to award a second contract for paving and landscaping.

Hired Roger Sharp to the position of Sewage Treatment Plant Operator (provisional).

November: Hired Terry Sharp as a part-time operations consultant for the Wastewater Treatment Plant.

APPENDICES

- Appendix 1 Justice Court Audit Response Letter**
- Appendix 2 Fund Balance Analysis**
- Appendix 3 Cost to the Town of Engineering Consultants in 2015 and
2016**
- Appendix 4 Development Projects Under Review**
- Appendix 5 Town of East Greenbush Vehicle Inventory**
- Appendix 6 2016 Paving List**



The Town of East Greenbush

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Unit Name: Town Of East Greenbush Justice Court Operation

Audit Report Title: Report Examination Period Covered: January 1, 2014 – June 30, 2015

Audit Report Number: 2016M -60

The Town accepts and agrees with the recommendations contained in Audit Report Number 2016M-60. We have already taken steps to comply with the recommendations and hereby submit our response and corrective action plan. Below we list the corrective actions taken or proposed for each recommendation included in the report. For recommendations where corrective action has not been taken or proposed, we have included an explanation.

Audit Recommendation:

1. The Justices should ensure monthly bank reconciliations and analyses of Court liabilities for comparison with available cash are prepared and reviewed. Any differences should be promptly identified and investigated, and, if necessary, corrective action taken.

Monthly bank reconciliations and analyses of Court liabilities have been made a priority by the Justices. A person has been retained in the Justice Court Department to reconcile monthly bank statements with Court records. In addition, the Supervisor will assign an independent bookkeeper to review Court records on a monthly basis to ensure accurate reconciliation and identify any systematic issues that may arise.

2. Justice Engel should report and send the amount of the overage to the Justice Court Fund (JCF).

Since the problems in Justice Engel's account began with fines and fees that were paid with credit cards that were not reported on any monthly reports to the JCF, a report of credit card details has been secured and individual charges are being tracked by case numbers. Discrepancies are being researched and reconciled and corrections made. A full report of the results of this effort will be made to the Town Supervisor and Town Comptroller by the end of

APPENDIX 1 – JUSTICE COURT AUDIT RESPONSE LETTER

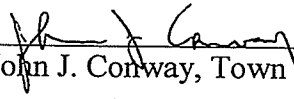
May 2016. Charges that cannot be traced will be listed on the monthly Justice Court report as unidentified revenue with the June 2016 reporting. Moving forward, we will assure that fines and fees paid with credit cards and online are reconciled on the corresponding monthly statement.

3. The Board should provide adequate management oversight of the Court's operations, including having the Town Comptroller or a CPA perform an effective annual audit of the Justices' records.

The Town Board has directed the Town Comptroller to conduct an audit of the Court records for 2014 and 2015. We anticipate completing the 2014 audit by August 2016 and the 2015 audit by December 2016. Moving forward, the Board will require the Court records to be audited on an annual basis by the Town Comptroller and an independent audit to be conducted periodically, but not less than every three years.

Please feel to contact me with any questions or comments. Thank you for the efforts of your staff in conducting this audit.

Signed:



John J. Conway, Town Supervisor

5/26/16

Date

Cc: Town Board
Town Justices
Town Comptroller
Town Clerk

**APPENDIX 2
Town Of East Greenbush
ANALYSIS OF FUND BALANCE**

Pursuant to Chapter 528 of the Laws of 2000, as required by amendments to Town Law Article 8,
the following schedule is presented as an estimate of fund balance for each of the Towns operating funds.

NYS AUD	A	DA	SF	SM(Mics)	SS1	SS2	SS3	SS4	SS	SW1	SW2	SW	
Trial Balance	(1)	(2)	(4)	(13)	(7)	(8)	(9)	(10)	(7,8,9,10)	(5)	(6)	(5,6)	
	General	Highway	Fire Prot	Ambulance	Gen Sew	Ham Sew	Couse Sew	3rd Ave Sew	Total Sewer	Gen Wat	Ham Wat	Total Water	
	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Funds	Fund	Fund	Fund	
Fund Balance at 12/31/15 (NYS AUD)	3,180,412	427,294	0	(129,162)	656,359	1,191,869	887,970	671,495	3,397,788	936,473	(86,819)	849,654	
Estimated Surplus (Deficit) for 2016	0	0	0	(50,000)	0	0	0	0	0	(100,000)	0	(100,000)	
Estimated Fund Balance at 12/31/16	3,180,412	427,294	0	(179,162)	656,359	1,191,869	887,970	671,495	3,397,788	836,473	(86,819)	749,654	
LESS													
Est. for encumbrances at current year-end 12/31/16	500,000	0	0	0	0	0	0	0	0	0	0	0	
Roundabouts Couse/Mannix overrun write off	683,794												
Library Debt Assigned	40,660												
Appropriated in subsequent year's budget 2017	0	0	0	0	41,667	73,273	73,273	41,667	229,880	55,000	0	55,000	
Reserved for stated purposes 12/31/16:													
Use Drug Forfeiture estimate	55,000	0	0										
Drug 1/Repair,Capital 2,misc.pre,	400,919	5,005	0	0	0	0	0	0	0	0	0	0	
Est. unappropriated, unreserved Unassigned fund bal.	1,500,039	422,289	0	(179,162)	614,692	1,118,596	814,697	629,828	3,167,908	781,473	(86,819)	694,654	
Total Appropriations	23,337,231	8,056,591	2,562,819	111,000	1,040,163	1,166,391	409,812	409,812	1,166,391	3,152,406	2,502,383	128,540	2,630,923
Recommended Floor; 10% of appropriations	859,144	256,282	11,100	104,016	116,639	40,981	40,981	116,639	315,241	250,238	12,854	263,092	
Reasonable Limit 20% of appropriations	1,718,288	512,564	22,200	208,032	233,278	81,962	81,962	233,278	630,482	500,476	25,708	526,184	
Percentage of est. unapprop. Unreserved Fund balance	18.62%	16.48%	0.00%	-17.22%	52.70%	272.95%	198.80%	54.00%	100.49%	31.23%	-67.54%	26.40%	

GEIS General Fund Balance (Designated, Not Reserved)		INTERFUND BORROWING	Due From Other Funds		(Goal if possible all balances to zero by 12/31/16)							
GEIS Mitigation	\$ 10,030	262,978.25	391	124,225.83	-	227,255.84	-	-	227,255.84	717,215.64		717,215.64
GEIS Traffic	\$ 210,644											
GEIS Land Use and GIS	\$ 2,785		Due To Other Funds		TA (99) Trust		H(03) Capital					
GEIS Recreation	\$ 82,455	344,242.70	630	262,978.25	40,660.32	683,794.29						
GEIS Water Sewer	\$ 149,298											
	\$ 455,212											

APPENDIX 3
COST TO THE TOWN OF ENGINEERING CONSULTANTS IN 2015 AND 2016

FIRM	2015	2016	Pct. Change
Chazen			
Total Paid	\$659,591.82	\$398,438.66	
Escrow ¹	\$ 76,870.47	\$127,650.00	
Sludge Spill ²	\$ 94,260.14	\$109,868.84	
Cost to Town	\$488,461.21	\$160,919.82	-67.1%
Creighton Manning			
Total Paid	\$ 23,632.17	\$ 76,923.39	
Escrow	0	\$ 16,112.63	
Cost to Town	\$ 23,632.17	\$ 60,810.76	+157.3%³
Delaware			
Total Paid	\$ 64,375.20	\$218,948.88	
Escrow	0	0	
Sludge Spill	\$ 10,785.00	0	
Cost to Town	\$ 53,590.20	\$218,948.88	+308.6%⁴
H.V. LaBarba			
Total Paid	\$ 11,942.50	\$ 32,886.20	
Escrow	\$ 1,500.00	\$ 23,903.70	
Cost to Town	\$ 10,442.50	\$ 8,982.50	- 14%
TOTAL			
Total Paid	\$759,541.69	\$727,197.13	
Escrow	\$ 78,370.47	\$167,665.00	
Sludge Spill	\$105,045.14	\$109,868.84	
Cost to Town	\$576,126.08	\$449,663.29	-22.0%

¹ Escrow accounts are funded by developers but paid out by the Town. There is no cost to the taxpayer.

² All sludge spill costs were paid by our insurance carrier.

³ The increase in Creighton Manning's fees is largely due to the Luther Road sidewalk project. 80% of the cost of that project will be reimbursed to the Town by NYS – DOT as long as the project stays within its budget. Cost overruns will have to be borne entirely by the Town.

⁴ The increase in Delaware's fees is due in large part to two factors: (1) they are the only engineering firm overseeing Phase 3 of the WWTP project; and (2) we funded an operations consultant for the WWTP through Delaware.

APPENDIX 4 - DEVELOPMENT PROJECTS UNDER REVIEW

<u>PROJECT NAME:</u>	<u>LOCATION</u>	<u>DEVELOPER/ENGINEER</u>	<u># OF UNITS OR SQ. FT.</u>	<u>STATUS</u>
COVERED BRIDGE PDD	MICHAEL ROAD	ARMAND QUADRINI/DOM ARICO -BOSWELL	269 UNITS	SKETCH PLAN ACCEPTED -50% REVIEW COMPLETE
DEER POND MAJOR SUBDIVISION	ELLIOT ROAD	SAI DEVELOPMENT/ DOM ARICO-BOSWELL	64 LOT SUBDIVISION	PRELIMINARY REVIEW-50% REVIEW COMPLETE
EAST GREENBUSH TECH PARK PDD	TECH VALLEY DRIVE	TOM HOFFMAN/HERSHBERG & HERSHBERG	269,000 SQ. FT	SKETCH PLAN ACCEPTED-60% REVIEW COMPLETE
FUCILLO FORD MAJOR SITE PLAN	634 COLUMBIA TURNPIKE	EUGENE RUBINCHUCK/STEVE HART	22,000 SQ. FT.	SKETCH PLAN ACCEPTED-20% REVIEW COMPLETE
L. BROWE ASPHALT SERVICES PDD	SUN OIL/AMERICAN OIL ROAD	LORNE BROWE/SCOTT COLLINS-ST. GERMAIN COLLINS	PAVEMENT BATCH PLANT WITH 3 SILOS	SKETCH PLAN ACCEPTED-10% REVIEW COMPLETE
MICHAELS AUTO PLAZA MINOR SITE PLAN	634 COLUMBIA TURNPIKE	FUCILLO AUTOMOTIVE GROUP/STEVE HART	1,344 SQ. FT	PENDING ACCEPTANCE OF SKETCH -80% COMPLETE
MOSCATIELLOS SITE PLAN MODIFICATION	550 3RD AVENUE EXTENSION	MIKE MOSCATIELLO/ADVANCE ENGINEERING	SITE IMPROVEMENTS TO EXISTING BLDG	SKETCH PLAN ACCEPTED-50% REVIEW COMPLETE
REGENERON BULK STORAGE BLDG SITE PLAN MODIFICATION	81 COLUMBIA TURNPIKE	REGENERON/STEVE HART	CANOPYS FOR BULK CHEMICAL STORAGE	SKETCH PLAN ACCEPTED-20% REVIEW COMPLETE
REGENERON PDD/MAJOR SITE PLAN	TEMPEL LANE/MILL CREEK	REGENERON/STEVE HART	187,000 SQ FT WAREHOUSE	SKETCH PLAN ACCEPTED-95% REVIEW COMPLETE
WITBECK CLUSTER SUBDIVISION MAJOR SUBDIVISION	PHILLIPS ROAD	WITBECK FAMILY TRUST/STEVE HART	54 LOT CLUSTER SUBDIVISION	PRELIMINARY REVIEW-10% REVIEW COMPLETE



APPENDIX 5 - TOWN OF EAST GREENBUSH VEHICLE INVENTORY AS OF DECEMBER 2016

BUMPER NUMBER	DEPARTMENT	YEAR	MAKE	MODEL	PLANNING LIFE	ANTICIPATED REPLACEMENT YEAR	ANTICIPATED REPLACEMENT COST	EQUIPMENT PRIORITY CODE	COMMENTS
1	PUBLIC WORKS	2004	CHEVROLET	1500 PICKUP TRUCK	10	2014	\$ 30,000.00	B	
2	HIGHWAY	2007	CHEVROLET	2500 PICKUP TRUCK	10	2017	\$ 30,000.00	B	PRIME MOVER FOR SIDEWALK ROLLER
3	HIGHWAY	2002	FORD	F150 PICKUP TRUCK	5	2007	\$ 38,000.00	A	REPLACE WITH F350 WITH PLOW AND SANDER
7	HIGHWAY	1998	MACK	TANDEM DUMP/PLOW TRUCK	15	2013	\$ 220,000.00	A	FRONT LINE PLOW TRUCK
8	HIGHWAY	2005	GRADALL	XL 3100 HYDRAULIC EXCAVATOR	20	2025	\$ 250,000.00	A	
9	HIGHWAY	2004	INTERNATIONAL	SINGLE AXLE DUMP/PLOW TRUCK	15	2019	\$ 200,000.00	A	FRONT LINE PLOW TRUCK
10	HIGHWAY	2012	INTERNATIONAL	SINGLE AXLE DUMP/PLOW TRUCK	15	2027	\$ 200,000.00	A	FRONT LINE PLOW TRUCK
11	HIGHWAY	2011	INTERNATIONAL	SINGLE AXLE DUMP/PLOW TRUCK	15	2026	\$ 200,000.00	A	FRONT LINE PLOW TRUCK
12	HIGHWAY	2003	CHEVROLET	S-10 PICKUP TRUCK	12	2015	\$ 20,000.00	B	USED FOR BUILDINGS
13	HIGHWAY	1997	MACK	SINGLE AXLE DUMP/PLOW TRUCK	15	2012	\$ 200,000.00	A	FRONT LINE PLOW TRUCK
15	HIGHWAY	2001	MACK	SINGLE AXLE DUMP/PLOW TRUCK	15	2016	\$ 200,000.00	A	FRONT LINE PLOW TRUCK
16	HIGHWAY	2006	INTERNATIONAL	SINGLE AXLE DUMP/PLOW TRUCK	15	2021	\$ 200,000.00	A	FRONT LINE PLOW TRUCK
17	HIGHWAY	1997	MACK	SINGLE AXLE DUMP/PLOW TRUCK	15	2012	\$ 200,000.00	A	FRONT LINE PLOW TRUCK
19	HIGHWAY	1985	FORD	UTILITY VAN	15	2000	\$ 40,000.00	B	
20	HIGHWAY	2003	FORD	F250 UTILITY PICKUP TRUCK	15	2018	\$ 30,000.00	B	
21	HIGHWAY	1996	FORD	SINGLE AXLE DUMP TRUCK	20	2016	\$ 120,000.00	A	BLACKTOP TRUCK
22	HIGHWAY	2004	FORD	F450 DUMP TRUCK	10	2014	\$ 50,000.00	B	
23	HIGHWAY	2001	JOHN DEERE	624H WHEELED LOADER	15	2016	\$ 130,000.00	A	
24	HIGHWAY	2006	FORD	F350 UTILITY TRUCK	15	2021	\$ 30,000.00	B	SERVICE TRUCK
25	HIGHWAY	1991	JOHN DEERE	544E WHEELED LOADER	15	2006	\$ 130,000.00	B	SPARE LOADER
26	HIGHWAY	2004	JOHN DEERE	6420 MOWING TRACTOR	20	2024	\$ 75,000.00	A	BOOM MOWER
27	HIGHWAY	2007	CHEVROLET	C1500 PICKUP TRUCK	15	2022	\$ 30,000.00	A	
28	HIGHWAY	2003	GEHL	SKID STEER	20	2023	\$ 55,000.00	B	
29	HIGHWAY	1986	FORD	F800 SINGLE AXLE DUMP TRUCK	20	2006	\$ 120,000.00	B	
32	HIGHWAY	1991	FORD	F800 SINGLE AXLE DUMP TRUCK	20	2011	\$ 120,000.00	B	SPARE BLACKTOP TRUCK
34	HIGHWAY	1997	FORD	VACUUM SWEEPER	20	2017	\$ 275,000.00	B	
35	HIGHWAY	2003	BANDIT	15" WOOD CHIPPER	20	2023	\$ 40,000.00	B	
36	HIGHWAY	2004	CATERPILLAR	416D BACKHOE/LOADER	20	2024	\$ 80,000.00	A	
37	HIGHWAY	1992	CHEVROLET	RACK TRUCK	20	2012	\$ 50,000.00	B	
38	HIGHWAY	2002	FREIGHTLINER	FL70 BOOM TRUCK	20	2022	\$ 50,000.00	B	
39	HIGHWAY	1999	CHEVROLET	C7500 SINGLE AXLE DUMP TRUCK	20	2019	\$ 120,000.00	B	
41	WATER	2012	FORD	F250 PICKUP TRUCK	10	2022	\$ 30,000.00	A	
42	WATER	2012	FORD	F450 DUMP TRUCK	10	2022	\$ 50,000.00	A	
43	WATER	2012	FORD	F250 UTILITY PICKUP TRUCK	10	2022	\$ 30,000.00	A	
44	WATER	2006	FREIGHTLINER	UTILITY VAN	15	2021	\$ 40,000.00	A	
45	WATER	2003	JCB	214 BACKHOE/LOADER	20	2023	\$ 80,000.00	A	
47	WATER	2003	BOBCAT	S250 SKID STEER	20	2023	\$ 55,000.00	B	
49	WATER	1991	FORD	F800 SINGLE AXLE DUMP TRUCK	20	2011	\$ 150,000.00	A	BEING REPLACED
51	SEWER	2003	FORD	F150 PICKUP TRUCK	10	2013	\$ 30,000.00	A	
52	SEWER	2007	CHEVROLET	C1500 PICKUP TRUCK	15	2022	\$ 30,000.00	A	
53	SEWER	2006	FORD	E350 TV VAN	20	2026	\$ 75,000.00	A	

55	SEWER	1997	FORD	F800 TANK JET	20	2017	\$ 120,000.00	A	
56	SEWER	1990	GMC	7000 CAMEL TANK JET	20	2010	\$ 120,000.00	B	SPARE TANK JET
57	SEWER	2002	MACK	CL713 TANK TRUCK	15	2017	\$ 350,000.00	A	SELL AT UPCOMING AUCTION
58	SEWER	1997	MACK	TRACTOR-TRAILER	20	2017	\$ 150,000.00	A	
60	PARKS	1995	HURST	UTILITY TRAILER	30	2025	\$ 30,000.00	A	
63	PARKS	1992	KRIST	UTILITY TRAILER	30	2022	\$ 30,000.00	B	
64	PARKS	1996	CUSTOM	UTILITY TRAILER	30	2026	\$ 300,000.00	B	
71	BUILDING	2004	JEEP	LIBERTY	12	2016	\$ 30,000.00	A	
72	BUILDING	2005	FORD	EXPLORER	12	2017	\$ 30,000.00	A	
73	BUILDING	2013	JEEP	PATRIOT	12	2025	\$ 30,000.00	A	
80	TRANSFER STATION	1985	EAST	PLASTIC TRAILER	30	2015	\$ 50,000.00	A	
81	TRANSFER STATION	1979	STRIC	STORAGE TRAILER	40	2019	\$ 30,000.00	B	
82	TRANSFER STATION	2002	MANAC	TRASH TRAILER	20	2022	\$ 50,000.00	A	
83	HIGHWAY	1999	DYNAPAC	CC92 36" ROLLER	20	2019	\$ 20,000.00	A	
84	HIGHWAY	1996	LOCK	UTILITY TRAILER	20	2016	\$ 15,000.00	A	
85	HIGHWAY	2001	TOWMA	UTILITY TRAILER	20	2021	\$ 12,000.00	A	
86	HIGHWAY		INGERSOLL	DD-16 36" ROLLER	20		\$ 20,000.00	B	
87	HIGHWAY	1996	CUSTOM	UTILITY TRAILER	20	2016	\$ 12,000.00	B	
89	HIGHWAY	2002	LOCKE	HYDRO-SEEDER	20	2022	\$ 25,000.00	B	SELL AT UPCOMING AUCTION
				TOTAL VALUE OF FLEET			\$ 5,912,000.00		

**APPENDIX 6
2016 PAVING LIST**

Funded This Year (2016)

Budd Lane	Orchard Street
Eastern Ave (Hudson to Madison)	Pine Street
Iroquois Place	Ponderosa Blvd
Madison Ave East (Summit to Eastern)	Maple Street (Poplar to Pine)
Maryland Avenue East	Springhurst Drive
Moore Road	Oak Street

Need Identified but No Funding Available at This Time

American Oil Road	McCullogh Place
Birchwood Drive	Oakwood Drive
Bridal Place	Old Red Mill Road (Stock Lane to Reineke Street)
California Avenue	Old Troy Road
Carvill Lane	Patroon Lane
Commons Drive	Pittsfield Ave
Craver Road	Ridge Road
Daily Place	Riverview Terrace
Delaware Ave	Robert Lane
Delehunt Drive Circle	Rosebud Court
Donna Lynn Drive	Spring Place
Elliot Avenue	Spruce Run
Glaz Street	Stirrup Drive
Hartfield Court	Sun Oil Road
Herrington Ave	Terrace Avenue
Hill Avenue	Theresa Lane
Johnny Circle	Town Park Road
Lakeshore Drive	Vanburen Ave
Lincoln Ave	Vermont Avenue
Louis Drive	View Street
Maine Ave	Washington Ave east (Summit to Eastern)
Maryland Ave E.	Yorkshire Drive
Poplar Street	