A regular meeting of the City Council of the City of Newburgh was held on Monday, November 26, 2018 at 7:00 PM in the third floor Council Chambers at City Hall, 83 Broadway, Newburgh, NY.

Prayer/Rezo

The prayer was led by Councilwoman Rayford.

Pledge of Allegiance/Juramento a la Alianza

Roll Call / Lista de Asistencia

Mayor Torrance Harvey, presiding; Councilman Grice, Councilwoman Mejia, Councilwoman Monteverde, Councilwoman Rayford, Councilwoman Sofokles-6

COMMUNICATIONS

Approval of the minutes of the meeting of November 13, 2018

Councilman Grice moved and Councilwoman Sofokles seconded.
Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey- 6
Carried

City Manager Update/ Gerente de la Ciudad pone al dia a la audiencia de los planes de cada departamento

UPDATE ON THE WATER CRISIS

City Manager Michael Ciaravino stated that we continue to be on Brown Pond's water as our source of water. Our teams from the water department, engineering, DPW, and legal have been working together flawlessly to ensure that the city has safe drinking water during the shutdown of the Catskill source. Based on the telemetry for the time period that we have been shutdown, it looks like we will be in very good shape. We have done a lot of work to ensure that we have backup redundancy in two separate sources. He would like all of us to keep track of a couple of things that are going on with our watershed, as it relates to the water crisis. Ciaravino believes that the litigants' expectation was that the City would ultimately accept that water, which has 5900 parts per trillion of PFOS in it, into Washington Lake. The pretext also presumed that we would ignore a misclassification on a NYSDEC permit of Silver Stream being classified as a Class C Stream, which is not suitable for drinking; as opposed to it being classified as a Class A Stream. As of this date there has been inaction with regard to the remediating of that outflow coming out of Rec Pond. He does not believe they can renew the amended permit, because as a Class A drinking stream, there are a whole slew of regulations that would forever preclude the City of Newburgh from relying upon that as its water source in the future. We are asking the liable parties to build a third treatment plant, and we have made it clear that they need to remediate the problem at its source. Ciaravino emphasized that we do not have to ever accept that water, as long as it remains contaminated. He cautioned us to take what the two liable parties may be telling us with a grain of salt. We have to protect ourselves and our own interest, and we have a position in the matter that is unparalleled in the history of City of Newburgh.

That position is The United States Government, possibly the Air National Guard, and the State of New York have a duty to make this community whole, by providing us with clean drinking water into perpetuity. He does not feel that it is a question of resources, as the parties have told us before; but, it is more a question of desire. He urged us to hold our ground and resist the Albany lobbyists from coming down and chipping away to convince us otherwise. This is about the City of Newburgh and the City of Newburgh's water into perpetuity. It is Ciaravino's hope that the City of Newburgh will continue to be on the Catskill's water supply until the two parties can get their acts together. Also the New York State Department of Health needs to acknowledge that they have the legal authority to manage and regulate things in this watershed; but, he feels that they are refusing to do so due to political pressure.

WATER DEPARTMENT

The Lead Service Line Replacement Grant funding work continues, and nineteen homes have been fully approved. Seven residences have completed their line replacements. We are working to secure additional funding to remediate additional homes that have the lead service line replacement requirement. The program is a great opportunity to get brand new lines without expense to families. Also the free lead and copper water sampling continues. Please contact the Water Department for more information about these programs. The telephone number is (845) 565-3356.

PRESENTATIONS

Public Hearing -- proposed local law to increase sewer rates

Mayor Harvey called for a public hearing to hear comments concerning a proposed local law to increase sewer rates to 108% of the customer's annual water bill.

Michelle Kelson explained the intent of the local law. She pointed out that the current water rate is $38.28 per quarter. The proposal would increase the amount to $39.72, which is roughly a $0.50 increase per quarter in the sewer rate.

There being no one wishing to speak for or against the public hearing, this portion of the meeting was closed.

COMMENTS FROM THE PUBLIC REGARDING AGENDA AND GENERAL MATTERS OF CITY BUSINESS

Erica Norton-Yuri commented. She stated that she attended a Town of Newburgh planning board meeting regarding the new development of two malls. It was an interesting experience. Whatever happens in the Town of Newburgh seems to trickle down in a negative way to the City of Newburgh. She feels that the City of Newburgh needs representation at the town meetings. She suggested that the residents come together and let the Town of Newburgh know that some of these decisions affect us negatively.

Marcel Barrett stated that he attended the Town's meeting too. We have no capacity to rule on our watershed, outside of our municipal jurisdiction, due to the State's Home Rule law that allows municipalities to do whatever they wish within their own jurisdictions. He sits on the Conservation Advisory Council, and he would love to sit down with the council to discuss the water further. Next, he mentioned the City Code's chapter on weeds and tree protections. He received a violation notice and a fine for $250 for the wildflowers he planted in his front yard. He stated that everything in his garden is cultivated, and he spends a lot of time trying to beautify the city. Some of these laws should be rewritten. He feels that it is an agenda that is more about appearances. He would like to discuss the cutting down of trees, as well as homeowners not being able to keep chickens and other poultry at their homes.

Ofra Wolf commented that she and Marcel grow vegetables in their garden, which ties in with what is going on with our water. We are in the moment of a paradigm shift in our world. There are things that cost a lot of money and then there are things that don't cost any money for us to do. Instead of her being up here to discuss a $250 violation on the garden that she cultivates, we should be giving out seeds for people to plant in their gardens. She has been working intensively around the water issue, and she feels that there is an excellent team that can come together. We have a strong citizen's group that is building, and it is extremely important that the city council, in order to be a full partner, educate itself. She encouraged every single council member to take the tour of the watershed and really understand where our water comes from. It is a very complex problem, and we are not alone, because it is a national issue. We can get a lot of support; but, we need everybody to be onboard.

Michelle Basch stated that it is ridiculous that the owners incurred this fine, because their garden is absolutely beautiful; yet right around the corner, the heaps of bricks, pipes, and dirt don't get fined. She feels that the taxes are not as terrible as she presumed them to be. With that said, it is the council's main job to do the best it can with the monies coming into the city. It is important that we maximize our opportunities to attract businesses. We have to take care of the people who need to be taken care of in the city. She cautioned us not to be hampered down by historical non-facts either. Basch stated that she hopes that we get the right person for the opening left vacant by Mr. Jacobson in Ward Three, as opposed to someone who is simply going to be a place filler. We can bring people into our city by utilizing the People's Park. Our city is made up of a very diverse group of people.

Josephine Formisano wanted to know why the City Manager is still here. In Corporate America, when the CEO or CFO resigns he is asked to turn in his keys and badge, and the person is escorted out of the building. That is not the case here. He is still here and he has keys and access to everything. She feels that the budget that was presented to the council is a fake budget, and now we are being watched by the State Comptroller. It falls to the council to ensure that he is watched and doing his job. Formisano feels that he is an absentee city manager, and key people have resigned due to that reason. She asked the council who is minding the store. What are your intentions to do something about it? It is a disgrace. She has lived in the City of Newburgh for over fifty years, and she recalled several former city managers and department heads that she said really cared about this city. Formisano's comments were curtailed by the mayor due to vehement comments directed toward the city manager.

Bill Conyea stated that he hopes that everybody holds their ground against the powers that be, until we know for sure what is in the water. Much is occurring throughout the entire country surrounding water. He is anxious to see where the budget goes. He hopes that what Mr. Duffy has worked on is a better story. Conyea has always talked about fiscal sustainability, and the council should think hard about votes and decisions that lead to unfunded liabilities in the budget. We have to be careful about giving away our city properties and the amounts that we sell them. Conyea stated that we can move this city forward if we put our heads together.

This portion of the meeting was closed.

COMMENTS FROM THE COUNCIL REGARDING THE AGENDA

Councilman Grice stated that health and safety and fiscal responsibility are the two most important jobs for him. He encouraged everybody to educate themselves about our watershed. He stated that people should connect with Newburgh Clean Water Project, Riverkeeper, and Quassaick Creek Watershed Alliance, as he believed that the three groups really know their stuff concerning the water. He has been educating himself and advocating along with them. Given all of the circumstances, Grice believes that we have a fiscally sound budget, although it did not give him everything that he wanted. In the future though, he is looking toward a five-year plan to get us to a financially stable situation. He encouraged city departments to work more collaboratively in terms of generating revenue. He asked that the community come out to the preliminary budget meetings for next year.

Councilwoman Mejia commented. She feels that it would be helpful to review the updated numbers and get into the nitty-gritty detail about the rates when the budget resolution comes before them tonight. With all of the transitions going on with staffing, we need to have redundancy in our system about key positions and keys roles and responsibilities in terms of how we manage our city.

Councilwoman Monteverde commented. She is concerned about the code violation that the homeowners incurred for their herb and flower garden. She drives by and admires that garden, and you should be able to do it, because it is your property. This is the first time that she has gone through the budget process, and it has been a learning curve. She realizes there is not much room to work with in departments' budgets, and it is unfortunate to see a lot of things that have to be cut from their wish lists. She believes that everybody is willing to work together toward a fiscally-sound budget, and one of the reasons why she ran for office was because taxpayers were hit with a major tax increase in 2010. Monteverde stated that she does not ever want to see that type of tax increase again.

Councilwoman Rayford remarked that she is all about safety too. Safety is not only physical; but, it is also monetary. The overtime in the police department and fire department are horrendous. They are trying to minimize it. She notices that there are a lot of people who earn more money than police officers in different departments, and she is concerned about that too. There is a lot of money, to the tune of $70K, which was

paid out, in which it was not budgeted. She wants the public to know that the council is watching. She feels that if we have to cut jobs, then let's do it! The taxpayers can't continue to pay high taxes in the City of Newburgh.

Councilwoman Sofokles commented that that garden is beautiful. It is mind boggling to her that they received a violation and fine, especially with all of the other violations in this city. She felt that Mr. Duffy is doing a fine job on the budget, and he reworked some of the numbers. Hopefully the State Comptroller will accept the budget, and we won't have to have a tax increase. The council voted on a Tax Cap, just in case, so that we are protected. Sofokles wants the public to feel confident that the council is staying on top of all of the concerns brought before it. Personally, Sofokles is sorry to see the city manager leave because she felt like he handled the water crisis beautifully. She wished Assemblyman Jacobson much success in his new position. She is confident that he is going to bring us a new public safety building.

Mayor Harvey shared the sentiments of his colleagues regarding the garden violation. After hearing the comments, he is interested in knowing why they received the fine, for what he has been told is a very beautiful garden. The couple has had wonderful ideas regarding the preservation of trees, and we want to continue to support their efforts and their outlook on preserving a green environment in our city. Next, Harvey stated that this council has been on the task amidst a very difficult time. He pointed out that you can't even imagine the difficulty presented to the city, having had three executive resignations during a budget season. He commended the staff in the accounting department, as well as the rest of the staff and department heads for steadying the ship to put forth a fiscally-sound budget. The task was challenging and arduous, and we have come through it with flying colors.

This portion of the meeting was closed.

CITY MANAGER'S REPORT

Resolution No.347- 2018 Milling Surplus

Councilman Grice moved and Councilwoman Sofokles seconded.
Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey - 6
Adopted

Resolution No. 348 - 2018 Change Order No. 3 with METRA Industries

Councilwoman Monteverde asked for an update, and whether we were still on schedule for the December 3rd date.

City Engineer Jason Morris responded in that he has not received the change order request for the time extension, and that work continues on the project. He stated that he would keep the council informed.

Mayor Harvey stated that when he drove through those some of those areas over the summer, they were rough; but, from his visual inspection as a layman, there has been significant progress being made in those areas. The award contractor did the ADA compliant curb ramp, and they were well beyond their deadline.

Morris confirmed Harvey's observation, and stated that the contractor is doing all of the restoration work. The project reached substantial completion on October 3, 2018, with final completion, as stated in the contract, to be completed within sixty days after that date, which would be December 3, 2018. Paving should commence soon, and as soon as he gets the schedule he will forward it to the council. He answered Councilman Grice's concerns about pursuing damages against the contractor if the contract was breached. Morris stated that the contractor is held up by the current school issue; but, they have done a number of things above and beyond their current contract, in which they have not asked for change orders. Morris stated that if the council wants to pursue damages, then the contractor may decide not to continue to work in good faith. He pointed out that the City has had a great experience with the company.

D.P.W. Superintendent George Garrison spoke about the milling. Crews were out today, and they started paving North Montgomery Street. They had to stop work because of rain. However, the department should be finished with those areas by

Thursday. All of the curb work has been completed though. He answered Councilwoman Monteverde's question, and stated that we are somewhat off-track, because we don't actually know if we are going to be able to do what we planned to do this year. This is why we put Plan B into effect, so that we could do some of these other roads that really need to be done. He is going to look at what streets that need to be done next year. We didn't budget for it, so we are going to be relying on CHIPs money.

Councilman Grice moved and Councilwoman Monteverde seconded.
Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey - 6
Adopted

Resolution No. 349 - 2018 Extension of Time to Rehabilitate 2 Liberty Street

Councilwoman Monteverde moved and Councilwoman Sofokles seconded.
Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey - 6
Adopted

Resolutions 350, 351 & 352 -2018 Releases of Restrictive Covenants

Resolution #350-2018

Councilwoman Sofokles moved and Councilman Grice seconded.

Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey-6

Adopted

Resolution #351-2018

Councilwoman Sofokles moved and Councilman Grice seconded.

Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey-6

Adopted

Resolution #352-2018

Councilwoman Sofokles moved and Councilman Grice seconded.

Ayes- Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey-6

Adopted

Resolution No. 353 - 2018 Award Bid for Civil War Monument to E & L Cemetery Services

Councilwoman Rayford stated this has been a work in progress, in which former Councilwoman Cindy Holmes received some of the funding from the Late Assemblyman Frank Skartados. She voiced her concerns about it, because she understood that the money was secured for those purposes. Rayford intended to touch base with the Comptroller's Office for more details.

Councilwoman Sofokles pointed out that none of the money is being used for the monument. $25K came from the insurance company, and then the rest of the money was raised. None of the money that Skartados gave us is being used for the monument.

Michelle Kelson clarified that Sofokles' statement is not entirely accurate. She understood that $25K of funding came from insurance recoveries; but, there was a significant amount of donations that were raised through the efforts of the Downing Park Planning Committee, and the veterans who worked extremely hard on the project. A portion of the funds are being used for repairs. She does not have the breakdown before her this evening. If we have other sources of funding that can be used to restore the Memorial itself, then the money will be used for other projects in the park.

George Garrison pointed out that some of the money was used for paving.

Kelson explained that the prices they received in the original bids they received were higher; but, when they rebid it the price came in significantly lower. She stated that we have the money. Ultimately it was intended to be used in and around Downing Park. The park can always use improvements in some type of way. If there was ever a purpose, that was not part of the original arrangement, then we would have to petition the State. So there is somebody watching over the drawdown of those funds.

Councilwoman Sofokles moved and Councilwoman Monteverde seconded.
Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey - 6
Adopted

Resolution No. 354 - 2018 City-owned tax-foreclosed property insurance renewal

Councilman Grice moved and Councilwoman Sofokles seconded.
Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey - 6
Adopted

Resolution No. 355 - 2018 Lead Line Replacement Grant - $155,000

Councilman Grice commented. He has had the opportunity to see the companies perform some of the lead line replacements. Thankfully he did not require a line replacement at his home. He encourages anyone who may need to have the work done, to contact the water department directly. The application is very simple to complete.

Mayor Harvey is extremely excited about the grant, and he commended the water department and everyone involved from the executive staff. It is significant that we are receiving an increase in grant funding, especially when we talk about environmental safety and harmful contaminants.

Councilwoman Sofokles stated that the people she spoke with in her ward told her they were treated with the utmost respect. They were happy with the results.

Jason Morris pointed out that any lead line replacements that were encountered during the Water Sewer Separation was replaced at no cost to the homeowner. It is separate funding, so they did not have to tap into any of the lead service line replacement grant

funding.

Councilman Grice moved and Councilwoman Monteverde seconded.
Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey - 6
Adopted

Resolution No. 356 -2018 Armory Unity Center solar installation feasibility study

Councilwoman Rayford thanked Mr. Kaplan, the staff and volunteers at the Armory. She commended them for having the courage to do new things to help better Newburgh.

Councilwoman Sofokles introduced Matt, who sat in the audience. He has been instrumental in bringing solar awareness to the city. For the Armory to be pioneers in the solar industry for Newburgh, is a wave of things to come.

Mayor Harvey tied in the entire concept of green space with solar energy. He gets calls from solar companies all the time. He felt that we should create a forum that could help educate residents about the possibilities of solar power.

Michelle Kelson stated she would try to create a fact sheet for residents. The regulation is not coming from City regulation; it is coming from the Public Utilities. Staff members from the Planning and Development Office are familiar with some of the nuances of it. She is a little strapped right now; but, she stated that she would put it on the to-do list for the near future.

Councilwoman Monteverde remarked. NYSERDA is a great website that spells out everything. It talks about the tax credits and funding for solar energy. She thought there was a group in the City of Newburgh that coordinated a couple of public meetings for homeowners. We don't have to reinvent the wheel when there is already a group out there doing it.

Councilwoman Sofokles moved and Councilman Grice seconded.
Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey - 6
Adopted

Resolution No. 357 -2018 Conservation Advisory Council appointments

Councilwoman Sofokles stated that usually when council people leave the council you never see or hear from them again. She commended Jeannie Abrams for continuing to stay in the loop and volunteering her time.

Councilman Grice pointed out that he says "Aye" in honor of Abrams. He is very happy that she is still active in our community.

Councilwoman Mejia moved and Councilwoman Monteverde seconded.
Ayes: Grice, Mejia, Monteverde, Sofokles, Harvey - 5
Adopted

Resolution No. 358 -2018

Councilman Grice moved and Councilwoman Sofokles seconded.
Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey - 6
Adopted

Resolution No. 359 - 2018

Michelle Kelson explained that this is a procedural request by one of the companies we identified in the complaint. In the federal suit that we filed in August, of the twenty-three defendants named in the suit, this particular defendant has raised a number of procedural and jurisdictional arguments that would take up a lot of time to resolve. This is a tolling agreement that will push the pause button for this defendant. If we uncover more information that supports the city's allegations, then we can resume the clock with this particular defendant. She pointed out that this does not let them off the hook, nor are we waiving any of our rights that we may be able to assert. This has been recommended to us by our litigation team. She likened it to us "putting this in the parking lot and we will come back to it later." She answered Mayor Harvey's concerns, and stated that with products liabilities cases, such as asbestos litigation funds, the federal courts have created multi-jurisdictional panels to hear claims for compensation for similarly situated and related matters. One or two of the manufacturers feel that the

city's complaint should be consolidated with other complaints. So there is going to be a hearing on that motion. Kelson stated that the city is opposed to it on record. There are other parties to the city's complaint, which are also opposed to it; but, we have to follow the jurisdiction and those arguments as they come up.

Mayor Harvey asked Kelson if she knew the timeline involved for the award that was given to a municipality in Minnesota. The amount of the award was roughly $850 Billion.

Kelson did not know the timeline off the top of head. She stated that the attorneys on our litigation team are aware of these type of cases and settlements, so we can get a timeline for it.

Councilwoman Sofokles moved and Councilwoman Monteverde seconded.
Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey - 6
Adopted

Resolution No. 360 - 2018

Councilwoman Sofokles moved and Councilman Grice seconded.
Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey - 6
Adopted

Resolution No. 361 - 2018

Councilwoman Sofokles moved and Councilman Grice seconded.
Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey - 6
Adopted

Resolution No. 362 -2018

Councilwoman Monteverde moved and Councilwoman Sofokles seconded.
Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey - 6
Adopted

Resolution No. 363 - 2018

Michelle Kelson explained that this is the work that the Assessor reports to the State. It is a breakdown of the total number of properties in the Homestead Class and the total number of properties that are in the Non-Homestead Class. It is a prerequisite to the budget. It is one of the baselines that is needed in order for us to compute the budget. It is separate and apart from the budget.

Councilman Grice moved and Councilwoman Sofokles seconded.
Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey - 6
Adopted

Resolution No. 364 - 2018

Mayor Harvey stated he is happy that we are at this point. There is always room for improvement. Initially we were at 7.1% tax increase. He asked our financial consultant Charles Duffy to assure them that they have covered all of their bases, as recommended by the State Comptroller's Office.

Charles Duffy presented a slideshow of the city's budget goals. He got the consensus from previous conversations that the council wanted to hold the Homestead and Non-Homestead rates steady. This budget will hold the Homestead rate to a $0.5% increase, which is essentially steady. The assumption is that we do the 10% Rebalance to make sure that we offset the market fluctuation of the Homestead and Non-Homestead this year. We were able to get the Non-Homestead to a 1.44% increase. The second item was that we remain under the Tax Cap. With the additional pressures put on us, we pushed to be just under the cap. Dollar wise, it is the same budget that we saw in the work session six days ago. The net effect on the levy remains zero though.

Duffy addressed some of the overtime runs in the police department by ensuring that people are staffed at their required titles. The police department has demonstrated a willingness to have a thorough analysis done to see if they could staff people at appropriate titles. Then we would not have to fund positions through overtime, and they can actually be funded at regular time. This would produce a significant savings in the budget overall. These efforts would reduce the chronic overage by $137K in 2019. If we

continue to take steps like this, then we could bring our overtime in line with our budgets.

Duffy addressed Councilwoman Monteverde's concerns about the sales tax. Duffy pointed out that we took a more aggressive stance on it. The sales tax had typically been budgeted at $10 Million per year since 2014. We took the $5.7 Million and added that to the number listed here. With the increased pressure to build up these contingencies, Duffy increased the sales tax revenue estimates to that same percentage. If the revenues don't come in then we don't build up the contingency. He would much rather take the stance of it being a measured risk, as a revenue estimate, than building the contingency on the backs of the taxpayers by increasing the tax rate by 2.75%.

He continued to go over the highlights of the budget in further detail.

Michelle Kelson stated that she did not get a consensus of the council that there was a comfort level for the adjustments as of last Thursday night. If the council desires, she can handwrite the adjustments into the resolution tonight. If you want to make an adjustment of the 10% Rebalance, then the resulting percentage increase in the rates essentially becomes 0.5% for the Homestead and 1.44% for the Non-Homestead. In that way you equalize the difference between the two classes of properties, which the council has the option to do. She needs to know, for clarity, so that she can substitute the numbers that the council desires for the resolution. Kelson pointed out that it is critical under the City Charter that the council adopts a budget that reflects all of the discussions before them. If not, then the City Manager's Proposed Budget automatically passes.

Councilman Grice remarked that one of the reasons they are discussing it further is to make the rates more equitable between the Homestead and Non-Homestead properties. He does not mind doing the 10% Rebalance, because it equalizes that discrepancy.

Councilwoman Mejia commented. She is totally in favor of it. For the last three budget seasons the level of sharing between the classes of properties have not been equal. She supports the sharing proposed under the 10% Rebalance. She is still hesitant about the sales tax revenue estimates. She would love to see the State offices work with us on a multi-year plan versus the State having to tell us, "Here is your medicine, take it now," in response to our financial situation. Having said that though, Mejia stated that she would go for the 10% rebalancing plan.

Councilwoman Monteverde remarked that she is uneasy about the sales tax at 10%. Yet she understands the importance of the sharing of the tax burden. With that said, she stated that she is leaning toward the 10% Rebalance although she is uncomfortable with it.

Councilwoman Rayford stated that she is not in favor of the 10% Rebalance. Businesses can increase their prices for the products and services that they offer

consumers. We want our residents to remain in Newburgh, and she is not sure that they can afford any increase.

Kelson explained that it is not an increase, it is an adjustment. You remove a little bit of value from your Homestead and add it to the Non-Homestead. It does not translate into an automatic 10% increase to either or both classes of properties.

Councilwoman Sofokles stated that she is on both ends of the spectrum, as both a business owner and a homeowner. She gets hit both ways. We are not talking about hundreds and hundreds of dollars. We are talking cents. She supports her fellow colleagues in the equalization of the tax burden, so she is in favor of the 10% Rebalance.

Kelson stated that she may have to add another phrase in the resolution concerning the 10% adjustment. She provided the accurate numbers to the Clerk, for the record, included in the Minutes herewith.

MOTION TO AMEND RESOLUTION #364-2018

Councilwoman Monteverde moved and Councilman Grice seconded that the resolution be amended to reflect a 10% adjusted base proportion to reflect rates of $19.655012 for Homestead properties and $26.791348 for Non-Homestead properties, on every $1000 of taxable real property.

Ayes- Grice, Mejia, Monteverde, Sofokles, Harvey-5

No- Rayford-1

MOTION CARRIED

Prior to the vote on the amended resolution, Charles Duffy assured the council that a revised personnel book and departmental book with the additional items for consideration would be forthcoming.

Councilman Grice moved and Councilwoman Sofokles seconded.
Ayes: Grice, Mejia, Monteverde, Rayford, Sofokles, Harvey - 6
Adopted, As Amended

RESOLUTION NO.: 347 - 2018

OF

NOVEMBER 26, 2018

A RESOLUTION DECLARING STREET MILLINGS AS SURPLUS AND AUTHORIZING DISPOSITION PURSUANT TO THE CITY OF NEWBURGH'S SURPLUS PROPERTY DISPOSITION POLICY AND PROCEDURE

WHEREAS, the City of Newburgh Department of Public Works has reported that it is in possession of street millings which are of no use by the City of Newburgh; and

WHEREAS, the Department of Public Works has requested that the street milling be designated as surplus and sold; and

WHEREAS, the City Council has determined that declaring the street millings as surplus is in the best interests of the City of Newburgh; and

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York that the street millings identified on the schedule attached hereto and made part hereof are hereby declared to be surplus and of no further use or value to the City of Newburgh; and

BE IT FURTHER RESOLVED, that the City Manager and/or City Comptroller be and they are hereby authorized to execute any required documents and conduct all necessary transactions to dispose of said surplus street millings in accordance with the City of Newburgh's Surplus Property Disposition Policy and Procedure adopted by Resolution No. 174-2014 of July 14, 2014.

347-18

Surplus Tracker

Department	Item	Item Description	Quantity	Estimated Individual Value	Estimated Value	What would the department like to do with the surplus??	Council Resolution	Possible Revenue? (If so, how much)
DPW	1997 JCB	Backhoe	1	$ 12,000.00	$ 12,000.00	auction		$ 15,000.00
DPW	1977 Mercedes	Unimog	1	$ 7,000.00	$ 7,000.00	auction		$ 10,000.00
DPW	2009 Ditch Witch	FX60 Vac	1	$ 20,000.00	$ 20,000.00	auction		$ 25,000.00
Water	2004 Dodge	pick-up	1	$ 1,000.00	$ 1,000.00	auction		$ 1,500.00
Water	2000 JCB	Backhoe	1	$ 15,000.00	$ 15,000.00	auction		$ 17,000.00
Police	2001 Ford Crown Vic	car	1	$ 300.00	$ 300.00	auction		$ 400.00
Police	2002 Chrysler T/C	van	1	$ 500.00	$ 500.00	auction		$ 700.00
Police	2004 Ford Focus	car	1	$ 200.00	$ 200.00	auction		$ 300.00
Police	2015 Ford Explorer	SUV	1	$ 2,000.00	$ 2,000.00	auction		$ 2,500.00
DPW	Millings	Millings from road repaving projects				sell		

RESOLUTION NO.: 348 - 2018

OF

NOVEMBER 26, 2018

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE CHANGE ORDER NO. 3G WITH METRA INDUSTRIES TO DECREASE THE CONTRACT AMOUNT BY $1,914.40 AND DECREASING THE TOTAL CONTRACT AMOUNT FROM $3,369,469.58 TO $3,367,555.18 IN THE CONSTRUCTION OF THE LIBERTY AND GRAND STREETS SANITARY SEWER IMPROVEMENTS PROJECT

WHEREAS, the City of Newburgh proposes to separate the combined sewer system and install new sewer and stormsewers for Liberty, Grand, Clinton and Montgomery Streets by removing existing combined sewer and installing new sanitary sewer and new stormsewers, along with new catchbasin structures and sanitary sewer manholes, in previously disturbed surfaces; and

WHEREAS, by Resolution No. 277-2017 of October 10, 2017, the City Council of the City of Newburgh awarded the base bid for construction of the Liberty and Grand Streets Sanitary Sewer Improvements Project (the "Project") to Metra Industries, for the amount of $3,248,115.00; and

WHEREAS, by Resolution No. 15-2018 of January 22, 2018, the City Council amended Resolution No. 277-2017 to award Additive Bid No. 1A – Water Services Replacement in the amount not to exceed $50,000.00 for the replacement of lead and water copper services associated with the Project to Metra Industries for a total contract price of $3,298,115.00; and

WHEREAS, by Resolution No. 194-2018 of August 13, 2018, the City Council authorized the City Manager to execute Change Order No. 1G to increase the contract term by 36 days until October 2, 2018 and Change Order No. 2G increasing the total contract price by $71,354.58 to a total contract price of $3,369,469.58; and

WHEREAS, further adjustments to the contract require Change Order No. 3G in the amount of $1,914.40 as a credit to Metra Industries decreasing the current total cost of the contract from $3,369,469.58 to $3,367,555.18 is required; and

WHEREAS, funding for the change order in the Project shall be derived from EFC Loan C3-7332-75/76; GL Code: HG1.8120.0200.8202.2015;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York that the City Manager be and he hereby is authorized to execute Change Order No. 3G in the amount of $1,914.40 as a credit to the contractor decreasing the total contract price from $3,369,469.58 to $3,367,555.18 in connection with the Metra Industries construction contract for the Liberty and Grand Streets Sanitary Sewer Improvements Project.

318-18

Barton & Loguidice

637 Broadway, Suite 2B
Newburgh, NY 12550
(845) 391-8360
(845) 391-8361 Fax

LETTER OF TRANSMITTAL

DATE: October 31, 2018 **JOB NO.:** 1352.003.001
PHASE:
ATTENTION: Mr. Jason Morris, P.E., City Engineer
RE: Liberty and Grand Streets Sewer Improvements

RECEIVED
NOV - 1 2018
CITY ENGINEER

TO: City of Newburgh
83 Broadway
Newburgh, New York 12550

WE ARE SENDING YOU: ☐ Attached ☐ Separate cover **VIA:** ☐ Hand Delivery ☒ US Mail ☐ Pickup
☐ Courier: _____ airbill # _____ Delivery: ☐ Overnight / ☐ 2-day / Other: _____
the following Items:
☐ Prints ☐ Plans ☐ Shop drawings ☐ Report ☐ Specifications
☒ Change Order ☐ Letter ☐ Application ☐ Samples ☐ Other _____

COPIES	DATE	DESCRIPTION
3	10/31/2018	Change Order 3G

THESE ARE TRANSMITTED as checked below:
☒ For approval ☐ Approved as submitted ☐ Resubmit _____ copies for approval
☐ For your use ☐ Approved as noted ☐ Submit _____ copies for distribution
☐ As requested ☐ Revise and Noted - Resubmit ☐ Return _____ corrected plans
☐ For review and comment ☐ Rejected – Resubmit as Specified ☐ Prints returned after loan to us
☐ For bids due _____ ☐ Other _____

REMARKS:
Jason-

Enclosed you will find three (3) change orders from Metra Industries. Please sign and return everything to me at your earliest convenience.

Please contact our office with any questions.

Thank you,

Barton & Loguidice, D.P.C.

cc:

Printed name: Jonathan M. Amos

Title: Principal Engineering Technician

If enclosures are not as noted, kindly notify us at once.

Change Order

No. 3G

Date of Issuance: 10/16/2018 Effective Date: 10/16/2018

Project: Liberty and Grand Streets Sewer Improvements	Owner: City of Newburgh	Owner's Contract No.: 1G
Contract: General Construction		Date of Contract: October 23, 2017
Contractor: Metra Industries, 50 Muller Pl. Little Falls Passaic New Jersey		Engineer's Project No.: 1352.005.002

The Contract Documents are modified as follows upon execution of this Change Order:

Description: Additional costs associated with required design changes to avoid unknown existing underground Utilities.

Attachments (list documents supporting change):

Metra extra work order numbers 14, 16,17, 18, 19, 20, 22, 23, 24, 26, 27, 29, 33, 34, design change letter, and quantity adjustments.

CHANGE IN CONTRACT PRICE:	CHANGE IN CONTRACT TIMES:
Original Contract Price: $3,298,115.00	Original Contract Times: ☐ Working days ☒ Calendar days Substantial completion (days or date): ______ Ready for final payment (days or date): ______
Increase from previously approved Change Orders: $71,354.58	Increase from previously approved Change Orders Substantial completion (days): ______ Ready for final payment (days): ______
Contract Price prior to this Change Order: $3,369,469.58	Contract Times prior to this Change Order: Substantial completion (days or date): ______ Ready for final payment (days or date): ______
Decrease of this Change Order: $1,914.40	Increase of this Change Order: Substantial completion (days or date): ______ Ready for final payment (days or date): ______
Contract Price incorporating this Change Order: $3,367,555.18	Contract Times with all approved Change Orders: Substantial completion (days or date): ______ Ready for final payment (days or date): ______

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: [signature]	By: ______	By: [signature]
Engineer (Authorized Signature)	Owner (Authorized Signature) Michael G. Ciaravino, City Manager	Contractor (Authorized Signature)
Date: 10/31/18	Date:	Date: 10-19-2018 *

Approved by Funding Agency (if applicable): * Per Res. No. -2018

______ Date: ______

Liberty and Grand Streets Sewer Improvements Project
Contract 1 - General Construction

Change Order No. 3G

Item No.	Description	Reason for Change	Unit Quantity	$/Unit	Total Cost	Adjusted Time (Days)
EW 14	Curbing	Redesign of new storm sewer caused granite curb to be removed.	1 ls	$65.37		0
EW 16	Remove New Storm Drain	New storm sewer profile conflicted with existing sanitary sewer laterals.	1 ls	$3,363.23	$3,363.23	0
EW 17	4" Water Main Break	Contractor assisted city to repair 4" water main	1 ls	$2,961.59	$2,961.59	0
EW 18	4" Water Main Break	Contractor assisted city to repair 4" water main	1 ls	$661.98	$661.98	0
EW 19	Builders Risk Insurance	Cost to extend insurance certificate for additional time	1 ls	$2,816.88	$2,816.88	0
EW 20	Concrete Collar	Concrete collar installed to connect the new HDPE pipe to the existing brick storm pipe.	1 ls	$8,752.35	$8,752.35	0
EW 22	Water Main repair	Contractor assisted city to repair 4" water main	1 ls	$5,972.58	$5,972.58	0
EW 23	CCTV Acces on Grand	Contractor was directed to excavate and shore a pit to allow access to the existing sewer for CCTV and cleaning	1 ls	$3,035.86	$3,035.86	0
EW 24	CCTV Acces on Grand	Contractor was directed to excavate and shore a pit to allow access to the existing sewer for CCTV and cleaning	1 ls	$3,035.86	$3,035.86	0
EW 26	Remove Trench Box and Plates	Contractor removed the trench box and plates from access for for flushing sewer on Grand street and backfilled hole.	1 ls	$2,162.14	$2,162.14	0
EW 27	Emergency Work	Contractor disconnected temporary tie in of existing sewer system to the new storm sewer and reconected to the new sanitary sewer.	1 ls	$8,032.62	$8,032.62	0
DC 2	Design Change	Additional costs resulting from design changes of the sanitary sewer on Liberty Street	1 ls	$110,407.95	$110,407.95	0
EW 29	8" Water Main Repair	Contractor assisted city to repair 8" water main	1 ls	$10,682.12	$10,682.12	0
EW 33	Manhole 2B Modification	Contractor cut new hole in structure due to design changes	1ls	$1,809.02	$1,809.02	
EW 34	Rock Excavation	During excavation of revised profile of sanitary sewer rock had to be removed.	1 ls	$20,991.42	$20,991.42	0
Qty's	Bid Item Qty Adjustment	See attached sheet	1ls	-$186,600.00	-$186,600.00	
		Total This Change Order:			($1,914.40)	

CITY OF NEWBURGH - CONTRACT 1: GENERAL CONSTRUCTION BID#4.17
1352.005.002 - LIBERTY & GRAND STREETS SEWER IMPROVEMENTS PROJECT
METRA INDUSTRIES

Item	Description	Estimated Quantity	Unit	Estimate Contract		Final Complete Construction		Quantity Adjustment	
				Unit Price	Amount	Quanity	Amount	Quantity	Amount
					$ -		$ -	0	$ -
					$ -		$ -	0	$ -
					$ -		$ -	0	$ -
4	6" non pressure	3350	LF	$100.00	$ 335,000.00	1900	$ 190,000.00	-1450	$ (145,000.00)
5	8" non pressure	1400	LF	$104.00	$ 145,600.00	1000	$ 104,000.00	-400	$ (41,600.00)
					$ -		$ -	0	$ -
					$ -		$ -	0	$ -
					$ -		$ -	0	$ -
					$ -		$ -	0	$ -
					$ -		$ -	0	$ -
					$ -		$ -	0	$ -
					$ -		$ -	0	$ -
					$ -		$ -	0	$ -
					$ -		$ -	0	$ -
	Total Quantity Cost				**$480,600.00**		**$ 294,000.00**	Total	**$ (186,600.00)**

I CERTIFY THAT THIS TABULATION IS A TRUE AND CORRECT COPY OF THE ESTIMATED AND FINAL AS-BUILT CONTRACT QUANTITIES

BY:

Jonathan Amos
Construction Manager

DATE: 9/28/2018

RESOLUTION NO.: 349 - 2018

OF

NOVEMBER 26, 2018

A RESOLUTION AUTHORIZING A SEVEN MONTH EXTENSION OF TIME TO REHABILITATE PREMISES OWNED BY JOHN BONHOMME KNOWN AS 2 LIBERTY STREET (SECTION 46, BLOCK 1, LOT 18)

WHEREAS, the City of Newburgh did convey the premises located at 2 Liberty Street, more accurately described as Section 46, Block 1, Lot 18 on the official Tax Map of the City of Newburgh, by deed dated December 11, 2015; and

WHEREAS, said deed included a provision requiring rehabilitation of the conveyed premises to be completed on or about June 11, 2017; and

WHEREAS, John Bonhomme, the owner of property located at 2 Liberty Street in the City of Newburgh, was unable to comply with the deadline; and

WHEREAS, by Resolution No. 268-2017 of September 25, 2017, this Council authorized a one (1) year extension of time to rehabilitate extension of time to rehabilitate said premises until September 25, 2018; and

WHEREAS, John Bonhomme, despite his diligent efforts to complete the rehabilitation of the premises, was unable to comply with the September 25, 2018 deadline, and continues to diligently complete the renovation; and

WHEREAS, this Council has determined that it would be in the best interests of the City of Newburgh and its continued development to grant the requested extension until June 29, 2019;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York that John Bonhomme be granted a seven (7) month extension to rehabilitate the premises known as 2 Liberty Street in the City of Newburgh; and

BE IT FURTHER RESOLVED; that such rehabilitation must be completed on or before June 29, 2019, that being seven (7) months from the date of this Resolution.

RESOLUTION NO.: 350 -2018

OF

NOVEMBER 26, 2018

A RESOLUTION AUTHORIZING THE EXECUTION
OF A RELEASE OF RESTRICTIVE COVENANTS AND RIGHT OF RE-ENTRY
FROM A DEED ISSUED TO MICHELE A. WILLIAMS TO THE PREMISES
KNOWN AS 156 LANDER STREET (SECTION 18, BLOCK 3, LOT 14)

WHEREAS, on September 1, 2017, the City of Newburgh conveyed property located at 156 Lander Street, being more accurately described on the official Tax Map of the City of Newburgh as Section 18, Block 3, Lot 14, to Michele A. Williams; and

WHEREAS, the owner has requested a release of the restrictive covenants contained in said deed; and

WHEREAS, it has been determined that such release be granted; and

WHEREAS, this Council believes it is in the best interest of the City of Newburgh to grant such request;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York that the City Manager be and he is hereby authorized to execute the release, annexed hereto and made a part of this resolution, of restrictive covenants numbered 1, 2, 3, 4 and 5 of the aforementioned deed.

350-18

RELEASE OF COVENANTS AND RIGHT OF RE-ENTRY

KNOWN ALL PERSONS BY THESE PRESENTS, that the City of Newburgh, a municipal corporation organized and existing under the Laws of the State of New York, and having its principal office at City Hall, 83 Broadway, Newburgh, New York 12550, in consideration of TEN ($10.00) DOLLARS lawful money of the United States and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby release and forever quitclaim the premises described as 156 Lander Street, Section 18, Block 3, Lot 14 on the Official Tax Map of the City of Newburgh, from those restrictive covenants numbered 1, 2, 3, 4 and 5 in a deed dated September 1, 2017 from THE CITY OF NEWBURGH to MICHELE A. WILLIAMS, recorded in the Orange County Clerk's Office on November 15, 2017, in Liber 14319 of Deeds at Page 160 and does further release said premises from the right of re-entry reserved in favor of the City of Newburgh as set forth in said deed.

Dated: _________________, 2018

THE CITY OF NEWBURGH

By: ______________________________

Michael G. Ciaravino, City Manager
Pursuant to Res. No.: ______ -2018

STATE OF NEW YORK)
)ss.:
COUNTY OF ORANGE)

On the ____ day of ____________ in the year 2018, before me, the undersigned, a Notary Public in and for said State, personally appeared MICHAEL G. CIARAVINO, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted; executed the instrument.

____

RECORD & RETURN TO:

RESOLUTION NO.: 351 -2018

OF

NOVEMBER 26, 2018

A RESOLUTION AUTHORIZING THE EXECUTION
OF A RELEASE OF RESTRICTIVE COVENANTS AND RIGHT OF RE-ENTRY
FROM A DEED ISSUED TO SOL PROPERTIES, LLC
TO THE PREMISES KNOWN AS 72 HASBROUCK STREET
(SECTION 38, BLOCK 3, LOT 61)

WHEREAS, on March 23, 2015, the City of Newburgh conveyed property located at 72 Hasbrouck Street, being more accurately described on the official Tax Map of the City of Newburgh as Section 38, Block 3, Lot 61, to SOL Properties, LLC; and

WHEREAS, SOL Properties, LLC has requested a release of the restrictive covenants contained in said deed; and

WHEREAS, the appropriate departments have reviewed their files and advised that the covenants have been complied with, and recommend such release be granted; and

WHEREAS, this Council believes it is in the best interest of the City of Newburgh to grant such request;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York that the City Manager be and he is hereby authorized to execute the release, annexed hereto and made a part of this resolution, of restrictive covenants numbered 1, 2, 3, 4, and 5 of the aforementioned deed.

351-18

RELEASE OF COVENANTS AND
RIGHT OF RE-ENTRY

KNOWN ALL PERSONS BY THESE PRESENTS, that the City of Newburgh, a municipal corporation organized and existing under the Laws of the State of New York, and having its principal office at City Hall, 83 Broadway, Newburgh, New York 12550, in consideration of TEN ($10.00) DOLLARS lawful money of the United States and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby release and forever quitclaim the premises described as 72 Hasbrouck Street, Section 38, Block 3, Lot 61 on the Official Tax Map of the City of Newburgh, from those restrictive covenants numbered 1, 2, 3, 4, and 5 in a deed dated March 23, 2015, from THE CITY OF NEWBURGH to SOL PROPERTIES, LLC, recorded in the Orange County Clerk's Office on April 9, 2015 in Liber 13875 of Deeds at Page 108 and does further release said premises from the right of re-entry reserved in favor of the City of Newburgh as set forth in said deed.

Dated: ________________, 2018

THE CITY OF NEWBURGH

By: ______________________________

Michael G. Ciaravino, City Manager
Pursuant to Res. No.: _______-2018

STATE OF NEW YORK)
)ss.:
COUNTY OF ORANGE)

On the ____ day of ___________ in the year 2018, before me, the undersigned, a Notary Public in and for said State, personally appeared MICHAEL G. CIARAVINO, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted; executed the instrument.

____

RESOLUTION NO.: 352 -2018

OF

NOVEMBER 26, 2018

A RESOLUTION AUTHORIZING THE EXECUTION OF A RELEASE OF RESTRICTIVE COVENANTS AND RIGHT OF RE-ENTRY FROM A DEED ISSUED TO MBC62 LLC TO THE PREMISES KNOWN AS 41 WISNER AVENUE (SECTION 32, BLOCK 1, LOT 8)

WHEREAS, on December 8, 2017, the City of Newburgh conveyed property located at 41 Wisner Avenue, being more accurately described on the official Tax Map of the City of Newburgh as Section 32, Block 1, Lot 8, to MBC62 LLC; and

WHEREAS, the owner has requested a release of the restrictive covenants contained in said deed; and

WHEREAS, it has been determined that such release be granted; and

WHEREAS, this Council believes it is in the best interest of the City of Newburgh to grant such request;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York that the City Manager be and he is hereby authorized to execute the release, annexed hereto and made a part of this resolution, of restrictive covenants numbered 1, 2, 3, 4 and 5 of the aforementioned deed.

352-18

RELEASE OF COVENANTS AND RIGHT OF RE-ENTRY

KNOWN ALL PERSONS BY THESE PRESENTS, that the City of Newburgh, a municipal corporation organized and existing under the Laws of the State of New York, and having its principal office at City Hall, 83 Broadway, Newburgh, New York 12550, in consideration of TEN ($10.00) DOLLARS lawful money of the United States and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby release and forever quitclaim the premises described as 41 Wisner Avenue, Section 32, Block 1, Lot 8 on the Official Tax Map of the City of Newburgh, from those restrictive covenants numbered 1, 2, 3, 4 and 5 in a deed dated December 8, 2017 from THE CITY OF NEWBURGH to MBC62 LLC, recorded in the Orange County Clerk's Office on January 3, 2018, in Liber 14342 of Deeds at Page 887 and does further release said premises from the right of re-entry reserved in favor of the City of Newburgh as set forth in said deed.

Dated: _________________, 2018

THE CITY OF NEWBURGH

By: ______________________________

Michael G. Ciaravino, City Manager
Pursuant to Res. No.: ______-2018

STATE OF NEW YORK)
)ss.:
COUNTY OF ORANGE)

On the ____ day of ____________ in the year 2018, before me, the undersigned, a Notary Public in and for said State, personally appeared MICHAEL G. CIARAVINO, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted; executed the instrument.

____

RECORD & RETURN TO:

RESOLUTION NO.: 353 - 2018

OF

NOVEMBER 26, 2018

A RESOLUTION AWARDING A BID AND AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH E & L CEMETERY SERVICES, LLC FOR THE RESTORATION OF THE CIVIL WAR MEMORIAL LOCATED IN DOWNING PARK IN AN AMOUNT NOT TO EXCEED $28,398.00

WHEREAS, in 2015, an early morning motor vehicle accident caused significant damage to the Civil War Memorial erected in 1934 by The Daughters of the Union; and

WHEREAS, the City proposes to restore this monument in the same location near the corner of Third Street and Robinson Avenue in Downing Park; and

WHEREAS, the City of Newburgh duly advertised for bids in connection with the restoration of the Civil War Memorial located in Downing Park; and

WHEREAS, bids have been duly received and opened and E & L Cemetery Services, LLC is the low bidder; and

WHEREAS, funding for the project shall be derived from CG.7110.0400.3026.2020 and TE.7110.0448 through a combination of grant funds, insurance recoveries and donations raised by the Downing Park Planning Committee;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York, that the bid for the restoration of the Civil War Memorial located in Downing Park be and it hereby is awarded to E & L Cemetery Services, LLC, for the amount of $28,398.00, and that the City Manager be and he is hereby authorized to enter into a contract for such work in this amount; and

BE IT FURTHER RESOLVED, by the City Council of the City of Newburgh that the City Manager be and he hereby is authorized to accept donations in support of the Civil War Monument Restoration from the Downing Park Planning Committee with appreciation and thanks of the City of Newburgh.

RESOLUTION NO.: 354 - 2018

OF

NOVEMBER 26, 2018

A RESOLUTION AUTHORIZING APPROVAL OF A GENERAL LIABILITY INSURANCE POLICY FOR CITY-OWNED TAX FORECLOSED PROPERTIES FOR THE PERIOD OF NOVEMBER 27, 2018 TO NOVEMBER 26, 2019

WHEREAS, the City of Newburgh has maintained general liability insurance coverage for City-owned tax-foreclosed properties since 2010; and

WHEREAS, Arthur J. Gallagher of New York, Inc. has recommended a renewal of liability insurance coverage for Fiscal Year 2018-2019;

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Newburgh, New York hereby approves the insurance coverage for the term beginning November 27, 2018 through November 27, 2019 with all liability insurance to be provided by Scottsdale Insurance Company; and

BE IT FURTHER RESOLVED, by the Council of the City of Newburgh, New York, that the City Manager be and he is hereby authorized and directed to execute agreements with Arthur J. Gallagher of New York, Inc. to provide for insurance coverage for the City-owned tax foreclosed properties for the period of November 27, 2018 to November 26, 2019.

354-18

Arthur J. Gallagher & Co.

City of Newburgh
83 Broadway
Newburgh, NY 12550
Michelle Kelson, Corporation Counsel

11/27/18-11/27/19

General Liability Renewal of City Owned
Vacant Property Policy

Insurance Proposal
Prepared For
PRESENTED BY
Kevin Barry **Area Vice President**
Nicole Anstett **Client Service Manager Senior**

Arthur J. Gallagher Risk Management Services, Inc.
2 Westchester Park Drive 3rd Floor
White Plains, NY 10604
(914) 696-3700

www.ajgrms.com

November, 2018

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Service Team

Kevin Barry has primary service responsibility for your company. We operate using a team approach. Your Service Team consists of:

NAME / TITLE	PHONE / ALT. PHONE	EMAIL	ROLE
Kevin Barry Area Vice President	914-697-6033 914-696-3700	Kevin_Barry@ajg.com	Producer
Nicole Anstett Client Service Manager Sr.	914-697-6066	Nicole_Anstett@ajg.com	Client Service Manager

Arthur J. Gallagher Risk Management Services, Inc.
Main Office Phone Number: **(914) 696-3700**

Named Insured

Named Insured Schedule:

Add / Change / Delete	Named Insured	General Liability
	City of Newburgh	X

Note: Any entity not named in this proposal may not be an insured entity. This may include partnerships and joint ventures.

Marketing Summary

We completed a marketing process of this policy which results in an over 10% premium savings to the City of Newburgh.

The expiring premium was $51,818 and through our efforts in marketing to over 10 carriers (See Marketplace Review on next page) we now recommend placing the renewal with Scottsdale Insurance at a premium of $45,514.

Marketplace Review

We approached the following carriers in an effort to provide the most comprehensive and cost effective insurance program.

INSURANCE COMPANY	LINE OF COVERAGE	RESPONSE
Scottsdale Insurance Company	General Liability	Quote
Burlington Insurance Company	General Liability	Quote
Kinsale Insurance Company	General Liability	Indication $70,000 Premium
Nationwide Brokerage	General Liability	Declined
Program Brokerage Corporation	General Liability	Declined
AmTrust Group	General Liability	Declined
Philadelphia Indemnity Corporation	General Liability	Declined
Nautilus Insurance Company	General Liability	Declined
James River	General Liability	Declined
Markel	General Liability	Declined
US Liability	General Liability	Declined
Atlantic Casualty	General Liability	Declined
Western World	General Liability	Declined
Ace Westchester	General Liability	Declined

Program Details

Coverage: General Liability

Carrier: Scottsdale Insurance Company

Policy Period: 11/27/2018 to 11/27/2019

Form Type:

COVERAGE	FORM TYPE	RETROACTIVE DATE	PENDING & PRIOR DATE
General Liability	Occurrence	Not Applicable	Not Applicable

Coverage:

DESCRIPTION	AMOUNT	BASIS
Personal and Advertising Injury	$1,000,000	
Each Occurrence Limit	$1,000,000	
Damage to Premises Rented to You	$100,000	Each Occurrence
Medical Expense	$5,000	Any One Person
General Aggregate Limit - Location, Project	$2,000,000	

Deductibles / Self Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Bodily Injury Liability & Property Damage Liability Combined	$1,000

Endorsements include, but are not limited to:

DESCRIPTION
IL 00 17 11-98 COMMON POLICY CONDITIONS
L 00 21 9-08 NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT
NOTX0178CW 3-16 CLAIM REPORTING
NOTX0423CW 2-15 POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE OPS-D-1 1-17 COMMON POLICY DECLARATIONS
UTS-119g 6-14 MINIMUM EARNED CANCELLATION PREMIUM
UTS-9g 5-96 SERVICE OF SUIT CLAUSE
UTS-COVPG 1-16 COVER PAGE
UTS-SP-2 12-95 SCHEDULE OF FORMS AND ENDORSEMENTS
UTS-SP-3 8-96 SCHEDULE OF LOCATIONS
CG 00 01 4-13 COMMERCIAL GENERAL LIABILITY COVERAGE FORM
CG 01 63 7-11 NEW YORK CHANGES – COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Program Details (Cont.)

Endorsements include, but are not limited to:

DESCRIPTION
CG 21 04 11-85 EXCLUSION - PRODUCTS-COMPLETED OPERATIONS HAZARD
CG 21 06 5-14 EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED BODILY INJURY EXCEPTION
CG 21 44 4-17 LIMITATION OF COVERAGE TO DESIGNATED PREMISES OR PROJECT
CG 21 44 4-17 LIMITATION OF COVERAGE TO DESIGNATED PREMISES OR PROJECT
CG 21 47 12-07 EMPLOYMENT-RELATED PRACTICES EXCLUSION
CG 21 67 12-04 FUNGI OR BACTERIA EXCLUSION
CG 21 73 1-15 EXCLUSION OF CERTIFIED ACTS OF TERRORISM
CLS-SD-1L 8-01 COMMERCIAL GENERAL LIABILITY COVERAGE PART SUPPLEMENTAL DECLARATIONS
CLS-SP-1L 10-93 COMMERCIAL GENERAL LIABILITY COVERAGE PART EXTENSION OF SUPPLEMENTAL DECLARATIONS
GLS-152s 8-16 AMENDMENT TO OTHER INSURANCE CONDITIONS
GLS-289s 11-07 KNOWN INJURY OR DAMAGE EXCLUSION - PERSONAL AND ADVERTISING INJURY
GLS-341s 8-12 HYDRAULIC FRACTURING EXCLUSION
GLS-457s 10-14 AIRCRAFT EXCLUSION
GLS-47s 10-07 MINIMUM AND ADVANCE PREMIUM ENDORSEMENT
GLS-74s 9-05 AMENDMENT OF CONDITIONS
GLS-94s 6-15 BODILY INJURY, PROPERTY DAMAGE, PERSONAL AND ADVERTISING INJURY LIABILITY DEDUCTIBLE ENDORSEMENT
UTS-266g 5-98 ASBESTOS EXCLUSION
UTS-267g 5-98 LEAD CONTAMINATION EXCLUSION
UTS-365s 2-09 AMENDMENT OF NONPAYMENT CANCELLATION CONDITION
UTS-428g 11-12 PREMIUM AUDIT ENDORSEMENT
UTS-74g 8-95 PUNITIVE OR EXEMPLARY DAMAGE EXCLUSION
UTS-85g 2-98 ANIMAL EXCLUSION
CG 21 49 9-99 TOTAL POLLUTION EXCLUSION ENDORSEMENT
GLS-100s 6-13 EXCLUSION-CONTRACTORS AND SUBCONTRACTORS
GLS-328s 5-11 ABSOLUTE EMPLOYEE AND WORKER INJURY AND LIABILITY EXCLUSION
GLS-282s 7-16 Multi-Unit Habitational Conversion Exclusion

Exclusions include, but are not limited to:

DESCRIPTION
Nuclear Energy Liability
Unemployment-Related Practices
Fungi or Bacteria

Program Details (Cont.)

Exclusions include, but are not limited to:

DESCRIPTION
Certified Acts of Terrorism
Hydraulic Fracturing
Unknown Injury or Damage - Personal and Advertising Injury
Aircraft
Asbestos
Lead Contamination
Animal
Total Pollution
Contractors and Subcontractors
Absolute Employee and Worker Injury and Liability

Subject to following terms and conditions:

Quote subject to all vacant buildings must be fully secured to prevent unauthorized access, must not be condemned or scheduled for demolition. Quote does not contemplate any construction, renovation or development at any of the properties. Dwellings must not be occupied by: student, sorority or fraternity occupants assisted living/residential care facilities, convalescent/nursing homes. Quote contemplates that locations scheduled as warehouses, on schedule of locations on file, are vacant buildings with nothing being stored. Request to add locations must be received for review prior to the requested effective date. Quote subject to satisfactory inspection.

Confirmation that the recs at location, 109 S. William St, have been completed PRIOR TO BINDING. If this location is to be developed during our policy term, this location must come off of the schedule and be written elsewhere.

Premium	**$41,323.00**
Taxes	
Surplus Lines Tax	$1,494.83
Stamping Fee	$70.59
Total Taxes	**$1,565.42**
Fees	
Inspection Fee	$400.00
RPS -Fee	$150.00
Total Fees	**$550.00**
ESTIMATED PROGRAM COST	**$43,638.42**
Minimum Earned Premium -	**25.00 %**
TRIA/TRIPRA PREMIUM (+ Additional Surcharges, Taxes and Fees as applicable)	**$2,076.00**

Subject to Audit: Not Auditable

Program Details (Cont.)

Coverage: General Liability

Carrier: Burlington Insurance Company

Policy Period: 11/27/2018 to 11/27/2019

Form Type:

COVERAGE	FORM TYPE	RETROACTIVE DATE	PENDING & PRIOR DATE
General Liability	Occurrence	Not Applicable	Not Applicable

Coverage:

DESCRIPTION	AMOUNT	BASIS
Each Occurrence Limit	$1,000,000	
General Aggregate Limit - Location, Project	$2,000,000	
Abuse/Molestation	$100,000 $300,000	Each Occurrence Aggregate

Deductibles / Self Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Bodily Injury Liability & Property Damage Liability Combined	$2,500

Endorsements include, but are not limited to:

DESCRIPTION
BG-G-119 03 17 Definition – Employee
BG-G-446-ST 03 17 Amendment-Insuring Agreement
CG 00 01 04 13 General Liability Coverage Form
CG 21 44 07 89 Designated Premises or Project
CG 24 26 04 1113 Amend Contract Definition
IFG-G-002-DL 05 32 General Liability Declarations
IFG-G-0052 03 17 Deductible Liability Insurance
IFG-G-0097 03 17 NY Changes – Legal Action against us
IFG-G-0152 03 17 Intercompany Sales
IFG-I-0101 03 18 Common Policy Declarations
IFG-I-0150 03 03 Listing of Forms and Endorsements
IFG-I-0402 11 00 Minimum Earned Premium
IFG-I0402 11 00 Service of Suit Amendment

Program Details (Cont.)

Endorsements include, but are not limited to:

DESCRIPTION
IL 00 17 11 98 Common Policy Conditions
ILP 001 01 04 U.S. Treasury Departments "OFAC" Advisory Policyholders
CG 21 44 07 98 – Premises; Each location Scheduled on the Declarations

Exclusions include, but are not limited to:

DESCRIPTION
Lead Substance
Punitive Damages
Asbestos, Silica
Assault-Battery
Pools and Beaches
Medical Payments
Personal & Advertising
Designated Premises or Project
Damage to Premises
Employment Practices
Fungi or Bacteria
Aircraft Products & Grounding
Intellectual Properties
Liquor Liability
Professional Liability
Independent Contracts

Subject to following terms and conditions:

Future Plans for Vacant Buildings
Signed Acord Form
Buildings must be added and deleted during the policy period

Program Details (Cont.)

Premium	**$45,000.00**
Taxes	
Surplus Lines Tax	$1,620.00
Stamping Fee	$76.50
Total Taxes	**$1,696.50**
Fees	
RPS -Fee	$150.00
Total Fees	**$150.00**

ESTIMATED PROGRAM COST	**$46,846.50**
Minimum Earned Premium -	**25.00 %**
TRIA/TRIPRA PREMIUM (+ Additional Surcharges, Taxes and Fees as applicable)	**$2,334.83**

Subject to Audit: Auditable

Premium Summary

The estimated program cost for the options are outlined in the following table:

LINE OF COVERAGE		EXPIRING PROGRAM CARRIER	EXPIRING PROGRAM EXPIRING COST	PROPOSED PROGRAM CARRIER	PROPOSED PROGRAM ESTIMATED COST
General Liability	Premium	Nautilus Insurance Company	$49,314.00	Scottsdale Insurance Company	$41,323.00
	Taxes		$1,779.80		$1,565.42
	Total Fees		$600.00		$550.00
	TRIA Premium		$125.00		$2,076.00
	Annualized Cost		**$51,818.80**		**$45,514.42**
Total Estimated Program Cost			**$51,818.80**		**$45,514.42**

All Quotes are valid until **11/27/2018**

Optional Quotes:
Burlington Insurance Company – Premium $45,000 + Taxes and Fees Total Premium $46,746.50

Gallagher is responsible for the placement of the following lines of coverage:
General Liability

It is understood that any other type of exposure/coverage is either self-insured or placed by another brokerage firm other than Gallagher. If you need help in placing other lines of coverage or covering other types of exposures, please contact your Gallagher representative.

Premium Financing

Arthur J. Gallagher is pleased to offer Premium Financing for our clients.

What is Premium Financing?

Premium financing is a short term loan that provides premium payment flexibility. By financing, you have the option to spread out your premium payments instead of paying in full at the time of policy purchase or renewal.

Why Premium Financing May be Good for Your Business?

- May improve **capital and cash flow management** by spreading out premium payments over the policy period.
- Allows for **consolidation of** multiple policies into one premium finance agreement with a single monthly or quarterly payment.
- Provides automated **ACH options and flexible payment** terms.

Want to Learn More?

If you are interested in learning more or obtaining a quote, contact your Client Service Manager.

Payment Plans

CARRIER	LINE OF COVERAGE	PAYMENT SCHEDULE	PAYMENT METHOD
Scottsdale Insurance Company (Nationwide Mutual Insurance Company)	General Liability	Payable within 20 days of binding	Agency Bill
Burlington Insurance Company (International Financial Group Inc.)	General Liability	Payable within 20 days of binding	Agency Bill

Changes / Developments

It is important that we be advised of any changes in your operations that may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

1. Changes in any operation such as expansion to other states or new products.
2. Mergers and/or acquisition of new companies.
3. Any newly assumed contractual liability, granting of indemnities, or hold harmless agreements.
4. Circumstances which may require increased liability insurance limits.
5. Any changes in fire or theft protection, such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to same.
6. Immediate advice of any changes to scheduled equipment such as contractors' equipment, electronic data processing, etc.
7. Property of yours that is in transit, unless we have previously arranged for the insurance.
8. Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed, or occupied.

☐ No Changes and/or Developments

Signature: ______________________________

Title: ______________________________

Date: ______________________________

Proposal Disclosures

The following disclosures are hereby made a part of this proposal. Please review these disclosures prior to signing the Client Authorization to Bind or e-mail confirmation.

Proposal Disclaimer

IMPORTANT: The proposal, and any executive summaries included with or supplementing the proposal outlines certain terms and conditions of the insurance proposed by the insurers, based on the information provided by your company. It does not include all the terms, coverages, exclusions, limitations and/or conditions of the actual policy contract language. The insurance policies themselves must be read for those details. Policy forms for your reference will be made available upon request.

We will not be operating in a fiduciary capacity, but only as your broker, obtaining a variety of coverage terms and conditions to protect the risks of your enterprise. We will seek to bind those coverages based upon your authorization; however, we can make no warranties in respect to policy limits or coverage considerations of the carrier. Actual coverage is determined by policy language, so read all policies carefully. Contact us with questions on these or any other issues of concern.

Compensation Disclosure

One of the core values highlighted in The Gallagher Way states, "We are an Open Society," and our open society extends to the compensation Gallagher receives. In general, Gallagher may be compensated as follows:

1. Gallagher Companies are primarily compensated from the usual and customary commissions or fees received from the brokerage and servicing of insurance policies, annuity contracts, guarantee contracts and surety bonds (collectively "insurance coverages") handled for a client's account, which may vary from company to company and insurance coverage to insurance coverage. As permitted by law, Gallagher companies occasionally receive both commissions and fees.

2. In placing, renewing, consulting on or servicing your insurance coverages, Gallagher Companies may participate in contingent and supplemental commission arrangements with intermediaries and insurance companies. Contingent commissions provide for additional compensation if stipulated underwriting, profitability, volume or retention goals are achieved. Such goals are typically based on the total amount of certain insurance coverages placed by Gallagher with the particular insurance company and/or through the particular intermediary, not on an individual policy basis. Some insurance markets, including Gallagher-owned intermediaries, have modified their commission schedule with Gallagher, resulting in an increase in certain commission rates. These additional commissions, commonly referred to as "supplemental commissions" are frequently known as of the effective date of the applicable insurance placement, but some insurance companies pay this commission later and apart from when commission is normally paid at policy issuance. As a result, Gallagher may be considered to have an incentive to place your insurance coverages with a particular insurance company. Note: Upon request, your Gallagher representative can provide more specific market information regarding contingent and supplemental commission related to your insurance coverage placed through Gallagher.

3. Gallagher Companies may also receive investment income on fiduciary funds temporarily held by them, such as premiums or return premiums.

4. Gallagher Companies may access other facilities, including wholesalers, reinsurance intermediaries, captive managers, underwriting managers and others that act as intermediaries for both Gallagher and other brokers in the insurance marketplace. Gallagher Companies may own some of these facilities, in whole or in part. If such a facility is utilized in the placement of a client's account, the facility may earn and retain customary brokerage commission or fees for its work.

5. Gallagher assists its clients in procuring premium finance quotes and unless prohibited by law may earn compensation for this optional value-added service.

6. From time to time, Gallagher may participate in insurance company promotional events or training and development that insurers provide for Gallagher employees.

7. Gallagher strives to find appropriate coverage at a competitive price for our clients. In order to achieve these goals, we gather and analyze data about our clients and their insurance coverage. This data and the resulting analytical tools help us better understand the current marketplace, more accurately predict future trends and offer tailored solutions to our clients. This data may also be provided to insurers pursuant to consulting service agreements

Proposal Disclosures (Cont.)

from which we earn fees.

If you have specific questions about the compensation received by Gallagher and its affiliates in relation to your insurance placements, please contact your Gallagher representative for more details.

In the event you wish to register a formal complaint regarding compensation Gallagher receives from insurers or third parties, please contact Gallagher via e-mail at Compensation_Complaints@ajg.com or by regular mail at:

AJG Chief Compliance Officer
Arthur J. Gallagher & Co.
2850 Golf Rd., 8th Floor
Rolling Meadows, IL 60008

TRIA/TRIPRA Disclaimer

If this proposal contains options to purchase TRIA/TRIPRA coverage, the proposed TRIA/TRIPRA program may not cover all terrorism losses. While the amendments to TRIA eliminated the distinction between foreign and domestic acts of terrorism, a number of lines of coverage excluded under the amendments passed in 2005 remain excluded including commercial automobile, burglary and theft insurance; surety insurance, farm owners multiple perils and professional liability (although directors and officers liability is specifically included). If such excluded coverages are required, we recommend that you consider purchasing a separate terrorism policy. Please note that a separate terrorism policy for these excluded coverages may be necessary to satisfy loan covenants or other contractual obligations. TRIPRA includes a $100 billion cap on insurers' aggregate liability.

The TRIPRA program increases the amount needed in total losses by $20 million each calendar year before the TRIPRA program responds from the 2015 trigger of $100 million to $200 million by the year 2020.

TRIPRA is set to expire on December 31, 2020. There is no certainty of extension, thus the coverage provided by your insurers may or may not extend beyond December 31, 2020. In the event you have loan covenants or other contractual obligations requiring that TRIA/TRIPRA be maintained throughout the duration of your policy period, we recommend that a separate "Stand Alone" terrorism policy be purchased to satisfy those obligations.

Actuarial Disclaimer

The information contained in this proposal is based on the historical loss experience and exposures provided to Arthur J. Gallagher Risk Management Services, Inc.. This proposal is not an actuarial study. Should you wish to have this proposal reviewed by an independent actuary, we will be pleased to provide you with a listing of actuaries for your use.

Insurance Company Ratings and Admitted Status

PROPOSED INSURANCE COMPANIES	A.M. BEST'S RATING	ADMITTED / NON-ADMITTED
Scottsdale Insurance Company	A+XV	Non-Admitted
Burlington Insurance Company	A-IX	Non-Admitted

If the above indicated coverage is placed with a Non-Admitted Carrier, the carrier is doing business in the state as a surplus lines or non-admitted carrier. As such, this carrier is not subject to the same regulations which apply to an admitted carrier nor do they participate in any insurance guarantee fund applicable in that state.

*The above A.M. Best Rating was verified on the date the proposal document was created.

Guide to Best Ratings

Rating Levels and Categories

LEVEL	CATEGORY	
A++, A+	Superior	
A, A-	Excellent	
B++, B+	Good	
B, B-	Fair	
C++, C+	Marginal	
C, C-	Weak	
D	Poor	
E	Under Regulatory Supervision	
F	In Liquidation	
S	Suspended	

Financial Size Categories
(In $000 of Reported Policyholders' Surplus Plus Conditional Reserve Funds)

FSC I	Up to 1,000	FSC IX	250,000 to 500,000
FSC II	1,000 to 2,000	FSC X	500,000 to 750,000
FSC III	2,000 to 5,000	FSC XI	750,000 to 1,00,000
FSC IV	5,000 to 10,000	FSC XII	1,000,000 to 1,250,000
FSC V	10,000 to 25,000	FSC XIII	1,250,000 to 1,500,000
FSC VI	25,000 to 50,000	FSC XIV	1,500,000 to 2,000,000
FSC VII	50,000 to 100,000	FSC XV	2,000,000 or more
FSC VIII	100,000 to 250,000		

Best's Insurance Reports , published annually by A.M. Best Company, Inc., presents comprehensive reports on the financial position, history, and transactions of insurance companies operating in the United States and Canada. Companies licensed to do business in the United States are assigned a Best's Rating which attempts to measure the comparative position of the company or association against industry averages.

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. It is not a warranty of a company's financial strength and ability to meet its obligations to policyholders. View the A.M. Best Important Notice: Best's Credit Ratings for a disclaimer notice and complete details at http://www.ambest.com/ratings/notice.

Best's Credit Ratings are under continuous review and subject to change and/or affirmation. For the latest Best's Credit Ratings and Best Credit Reports (which include Best Ratings), visit the A.M. Best website at http://www.ambest.com. See Guide to Best's Credit Ratings for explanation of use and charges. Copies of the Best's Insurance Reports for carriers listed above are also available upon request of your Gallagher representative.

Best's Credit Ratings reproduced herein appear under license from A.M. Best and do not constitute, either expressly or impliedly, an endorsement of (Licensee's publication or service) or its recommendations, formulas, criteria or comparisons to any other ratings, rating scales or rating organizations which are published or referenced herein. A.M. Best is not responsible for transcription errors made in presenting Best's Credit Ratings. Best's Credit Ratings are proprietary and may not be reproduced or distributed without the express written permission of A.M. Best Company.

Gallagher companies use A.M. Best Company's rating services to evaluate the financial condition of insurers whose policies we propose to deliver. Gallagher companies make no representations and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier which may change.

Insurance Company Ratings and Admitted Status (Cont.)

BEST'S FINANCIAL STRENGTH RATING GUIDE – (FSR)

A Best's Financial Strength Rating (FSR) is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. An FSR is not assigned to specific insurance policies or contracts and does not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. An FSR is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser. In addition, an FSR may be displayed with a rating identifier, modifier or affiliation code that denotes a unique aspect of the opinion.

Best's Financial Strength Rating (FSR) Scale

Rating Categories	Rating Symbols	Rating Notches*	Category Definitions
Superior	A+	A++	Assigned to insurance companies that have, in our opinion, a superior ability to meet their ongoing insurance obligations.
Excellent	A	A-	Assigned to insurance companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations.
Good	B+	B++	Assigned to insurance companies that have, in our opinion, a good ability to meet their ongoing insurance obligations.
Fair	B	B-	Assigned to insurance companies that have, in our opinion, a fair ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
Marginal	C+	C++	Assigned to insurance companies that have, in our opinion, a marginal ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
Weak	C	C-	Assigned to insurance companies that have, in our opinion, a weak ability to meet their ongoing insurance obligations. Financial strength is very vulnerable to adverse changes in underwriting and economic conditions.
Poor	D	-	Assigned to insurance companies that have, in our opinion, a poor ability to meet their ongoing insurance obligations. Financial strength is extremely vulnerable to adverse changes in underwriting and economic conditions.

** Each Best's Financial Strength Rating Category from "A+" to "C" includes a Rating Notch to reflect a gradation of financial strength within the category. A Rating Notch is expressed with either a second plus "+" or a minus "-".*

FSR Non-Rating Designations

Designation Symbols	Designation Definitions
E	Status assigned to insurance companies that are publicly placed under a significant form of regulatory supervision, control or restraint - including cease and desist orders, conservatorship or rehabilitation, but not liquidation - that prevents conduct of normal ongoing insurance operations; an impaired insurer.
F	Status assigned to insurance companies that are publicly placed in liquidation by a court of law or by a forced liquidation; an impaired insurer.
S	Status assigned to rated insurance companies to suspend the outstanding FSR when sudden and significant events impact operations and rating implications cannot be evaluated due to a lack of timely or adequate information; or in cases where continued maintenance of the previously published rating opinion is in violation of evolving regulatory requirements.
NR	Status assigned to insurance companies that are not rated; may include previously rated insurance companies or insurance companies that have never been rated by AMBRS.

Rating Disclosure – Use and Limitations

A Best's Credit Rating (BCR) is a forward-looking independent and objective opinion regarding an insurer's, issuer's or financial obligation's relative creditworthiness. The opinion represents a comprehensive analysis consisting of a quantitative and qualitative evaluation of balance sheet strength, operating performance and business profile or, where appropriate, the specific nature and details of a security. Because a BCR is a forward-looking opinion as of the date it is released, it cannot be considered as a fact or guarantee of future credit quality and therefore cannot be described as accurate or inaccurate. A BCR is a relative measure of risk that implies credit quality and is assigned using a scale with a defined population of categories and notches. Entities or obligations assigned the same BCR symbol developed using the same scale, should not be viewed as completely identical in terms of credit quality. Alternatively, they are alike in category (or notches within a category), but given there is a prescribed progression of categories (and notches) used in assigning the ratings of a much larger population of entities or obligations, the categories (notches) cannot mirror the precise subtleties of risk that are inherent within similarly rated entities or obligations. While a BCR reflects the opinion of A.M. Best Rating Services, Inc. (AMBRS) of relative creditworthiness, it is not an indicator or predictor of defined impairment or default probability with respect to any specific insurer, issuer or financial obligation. A BCR is not investment advice, nor should it be construed as a consulting or advisory service, as such; it is not intended to be utilized as a recommendation to purchase, hold or terminate any insurance policy, contract, security or any other financial obligation, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser. Users of a BCR should not rely on it in making any investment decision; however, if used, the BCR must be considered as only one factor. Users must make their own evaluation of each investment decision. A BCR opinion is provided on an "as is" basis without any expressed or implied warranty. In addition, a BCR may be changed, suspended or withdrawn at any time for any reason at the sole discretion of AMBRS.

BCRs are distributed via the AMBRS website at www.ambest.com. For additional information regarding the development of a BCR and other rating-related information and definitions, including outlooks, modifiers, identifiers and affiliation codes, please refer to the report titled "Understanding Best's Credit Ratings" available at no charge on the AMBRS website. BCRs are proprietary and may not be reproduced without permission.

 Version 090116

Arthur J. Gallagher Risk Management Services
2 Westchester Park Drive
White Plains, NY 10604

NOTICE OF EXCESS LINE PLACEMENT
Date: 11/27/18

City of Newburgh
83 Broadway
Newburgh, NY 12550

Consistent with the requirements of the New York Insurance Law and Regulation 41 City of Newburgh is hereby advised that all or a portion of the required coverages have been placed by Arthur J. Gallagher Risk Management Services, Inc. with insurers not authorized to do an insurance business in New York and which are not subject to supervision by this State. Placements with unauthorized insurers can only be made under one of the following circumstances:

a) **A diligent effort was first made to place the required insurance with companies authorized in New York to write coverages of the kind requested; or**
b) **NO diligent effort was required because i) the coverage qualifies as an "Export List" risk, or ii) the insured qualifies as an "Exempt Commercial Purchaser."**

Policies issued by such unauthorized insurers may not be subject to all of the regulations of the Superintendent of Financial Services pertaining to policy forms. In the event of insolvency of the unauthorized insurers, losses will not be covered by any New York State security fund.

TOTAL COST FORM (NON TAX ALLOCATED PREMIUM TRANSACTION)

In consideration of your placing my insurance as described in the policy referenced below, I agree to pay the total cost below which includes all premiums, inspection charges(1) and a service fee that includes taxes, stamping fees, and (if indicated) a fee(1) for compensation in addition to commissions received, and other expenses(1).
I further understand and agree that all fees, inspection charges and other expenses denoted by(1) are fully earned from the inception date of the policy and are non-refundable regardless of whether said policy is cancelled. Any policy changes which generate additional premium are subject to additional tax and stamping fee charges.

Re: Policy No. TBA **Insurer Scottsdale Insurance Company**

Policy Premium	**$41,523.00**
Insurer Imposed Charges:	
Policy Fees (1)	**$**
Inspection Fees (1)	**$**
Total Taxable Charges	**$**
Service Fee Charges:	
Excess Line Tax (3.60%)	**$1,494.83**
Stamping Fee	**$$70.59**
Broker Fee (1)	**$400.00**
Inspection Fee (1)	**$150.00**
Other Expenses (specify) (1) ______	**$**
Total Policy Cost	**$ 43,638.42**

____
(Signature of Insured)

(1) = Fully earned

Arthur J. Gallagher Risk Management Services
2 Westchester Park Drive
White Plains, NY 10604

NOTICE OF EXCESS LINE PLACEMENT
Date: 11/27/18

City of Newburgh
83 Broadway
Newburgh, NY 12550

Consistent with the requirements of the New York Insurance Law and Regulation 41 City of Newburgh is hereby advised that all or a portion of the required coverages have been placed by Arthur J. Gallagher Risk Management Services, Inc. with insurers not authorized to do an insurance business in New York and which are not subject to supervision by this State. Placements with unauthorized insurers can only be made under one of the following circumstances:

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Policies issued by such unauthorized insurers may not be subject to all of the regulations of the Superintendent of Financial Services pertaining to policy forms. In the event of insolvency of the unauthorized insurers, losses will not be covered by any New York State security fund.

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I further understand and agree that all fees, inspection charges and other expenses denoted by(1) are fully earned from the inception date of the policy and are non-refundable regardless of whether said policy is cancelled. Any policy changes which generate additional premium are subject to additional tax and stamping fee charges.

Re: Policy No. TBA **Insurer Burlington Insurance Company**

Policy Premium	**$45,000.00**
Insurer Imposed Charges:	
Policy Fees (1)	**$**
Inspection Fees (1)	**$**
Total Taxable Charges	**$**
Service Fee Charges:	
Excess Line Tax (3.60%)	**$1,620.00**
Stamping Fee	**$76.50**
Broker Fee (1)	**$**
Inspection Fee (1)	**$150.00**
Other Expenses (specify) (1) ________	**$**
Total Policy Cost	**$ 46,845.50**

____
(Signature of Insured)

(1) = Fully earned

Client Authorization to Bind Coverage

After careful consideration of Gallagher's proposal dated 11/ /2018, we accept the following coverage(s). Please check the desired coverage(s) and note any coverage amendments below:

	LINE OF COVERAGE	CARRIER
☐ Accept ☐ Reject ☐ Accept ☐ Reject	General Liability TRIA Coverage	Scottsdale Insurance Company (Nationwide Mutual Insurance Company)
☐ Accept ☐ Reject ☐ Accept ☐ Reject	General Liability TRIA Coverage	Burlington Insurance Company (International Financial Group Inc.)

The above coverage may not necessarily represent the entirety of available insurance products. If you are interested in pursuing additional coverages other than those addressed in the coverage considerations included in this proposal, please list below:

____

____

Producer/ Insured Coverage Amendments and Notes:

____

It is understood this proposal provides only a summary of the details; the policies will contain the actual coverages.

We confirm the values, schedules, and other data contained in the proposal are from our records and acknowledge it is our responsibility to see that they are maintained accurately.

We agree that your liability to us arising from your negligent acts or omissions, whether related to the insurance or surety placed pursuant to these binding instructions or not, shall not exceed $20 million, in the aggregate. Further, without limiting the foregoing, we agree that in the event you breach your obligations, you shall only be liable for actual damages we incur and that you shall not be liable for any indirect, consequential or punitive damages.

By: ____
Print Name (Specify Title)

____
Company

____
Signature

Date: ____

Bindable Quotations & Compensation Disclosure Schedule

Client Name: City of Newburgh

				WHOLESALER, MGA OR INTERMEDIARY		
COVERAGE(S)	CARRIER NAME(S)	EST. ANNUAL PREMIUM[1]	COMM.% OR FEE[2]	NAME[3]	COMM.% OR FEE[4]	AJG OWNED? YES/NO
GL TRIA	Scottsdale Insurance Company	$41,323 $2,076	10 %	Risk Placement Services	10 % + $150.00	Yes
GL TRIA	Burlington Insurance Company	$45,000 $2,250	10%	Risk Placement Services	10 % + $150.00	Yes

Some carriers pay Gallagher supplemental or contingent commissions in addition to the policy commission. Contingent commissions are typically contingent upon performance factors such as growth, profit, volume or retention, while supplemental commissions are not. These supplemental or contingent commissions may range from less than 1% up to 10% of the policy premium. Please refer to the Compensation Disclosure or contact your Gallagher representative for additional information.

1 If the premium is shown as an indication: The premium indicated is an estimate provided by the market. The actual premium and acceptance of the coverage requested will be determined by the market after a thorough review of the completed application.
 * A verbal quotation was received from this carrier. We are awaiting a quotation in writing.
2 The commission rate is a percentage of annual premium excluding taxes & fees.
 * Gallagher is receiving ________% commission on this policy. The fee due Gallagher will be reduced by the amount of the commissions received.
3 We were able to obtain more advantageous terms and conditions for you through an intermediary/ wholesaler.
4 * The non-Gallagher intermediary/wholesaler did not provide their compensation information for this proposal. The usual and customary compensation to a wholesaler/ intermediary ranges from 5% to 12%, but we cannot verify that range is applicable in connection with this proposal.

Claims Reporting by Policy

Direct Reporting - All Claims to be reported IMMEDIATELY:

Arthur J. Gallagher & Co.
220 Lake Drive East, Suite 210
Cherry Hill, NJ 08001
ATTT: Claims Service Manager
northeastregion.bds.claimsreporting@ajg.com
800-770-0001
After Hours Emergency 877-458-0288

RESOLUTION NO.: 355 - 2018

OF

NOVEMBER 26, 2018

A RESOLUTION AMENDING RESOLUTION NO. 7-2018 OF JANUARY 8, 2018 AUTHORIZING THE CITY MANAGER TO ACCEPT ADDITIONAL GRANT FUNDING IN THE AMOUNT OF $155,000.00 FOR THE NEW YORK STATE DEPARTMENT OF HEALTH LEAD SERVICE LINE REPLACEMENT PROGRAM GRANT FOR TOTAL GRANT FUNDING IN AN AMOUNT NOT TO EXCEED $699,745.00

WHEREAS, by Resolution No. 7-2018 of January 8, 2018, the City Council authorized the City Manager to accept a New York State Department of Health Lead Service Line Replacement Program (NYSDOH LSLRP) Grant in an amount not to exceed $544,745.00 requiring no City match; and

WHEREAS, the City of Newburgh has been notified by the NYSDOH that an additional $155,000.00 has been awarded to complete additional lines for homeowners; and

WHEREAS, this Council has determined that accepting such additional funds is in the best interests of the City of Newburgh and its residents;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York that the City Manager be and he is hereby authorized to accept such additional grant funding in the amount of $155,000.00 from the New York State Department of Health Lead Service Line Replacement Program for a total grant amount of $699,745.00 requiring no City match; and to execute all such further contracts and documentation and take such further actions as may be appropriate and necessary to accept such grant and administer the program funded thereby.

RESOLUTION NO.: 356 - 2018

OF

NOVEMBER 26, 2018

A RESOLUTION AUTHORIZING THE NEWBURGH ARMORY UNITY CENTER, INC. TO UNDERTAKE A FEASIBILITY STUDY FOR THE IMPLEMENTATION OF A SOLAR INSTALLATION AT THE ARMORY LOCATED AT 321 SOUTH WILLIAM STREET

WHEREAS, by Resolution No. 146-2011 of July 11, 2011, the City Council of the City of Newburgh determined that the Newburgh Armory Unity Center, Inc. ("NAUC") was the most capable entity to provide management, operation, and fundraising services for the Newburgh Armory located at 321 South William Street in the City of Newburgh and authorized the City Manager to execute a Management Agreement with the NAUC; and

WHEREAS, the Management Agreement authorizes the NAUC to make alterations or improvements to the Armory which do not exceed Ten Thousand ($10,000) Dollars in costs; and

WHEREAS, the NAUC proposes to undertake a feasibility study for the implementation of a solar installation on the Armory property to save money, become more energy efficient, and to serve as a model for emergent and innovative solar technologies and applications which are either currently, or soon to be, available; and

WHEREAS, the NAUC is an ideal facility for a demonstration solar installation because it has the opportunity to seek unique and innovative sources of funding which are not dependent on the taxpayer; and

WHEREAS, the City recognizes the enormous beneficial impact that the Newburgh Armory has had on the City of Newburgh by providing a home for recreational and educational programs that have greatly benefited the greater Newburgh community; and

WHEREAS, the City wishes to ensure the continued success of the Newburgh Armory for future generations by supporting and authorizing the NAUC's solar installation feasibility study project at no cost to the City; the same being in the best interests of the City of Newburgh and its citizens;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York that the Newburgh Armory Unity Center, Inc. be and hereby is authorized to undertake a feasibility study for the implementation of a solar installation on the Armory property; and

BE IT FURTHER RESOLVED, by the Council of the City of Newburgh that the City Manager be and he is hereby authorized to execute all such further documentation and take such further actions as may be appropriate and necessary for the successful completion of the solar installation feasibility study at the Newburgh Armory Unity Center, Inc.

RESOLUTION NO.: 357 -2018

OF

NOVEMBER 26, 2018

A RESOLUTION RE-APPOINTING GAIL FULTON AND ALISON FILOSA AND APPOINTING GENIE ABRAMS FOR TWO YEAR TERMS TO THE CONSERVATION ADVISORY COUNCIL

WHEREAS, the City Council of the City of Newburgh adopted Local Law No. 1-2013 of August 19, 2013 which added new Chapter 159 of the City Code of Ordinances entitled "Conservation Advisory Council"; and

WHEREAS, Chapter 159 provides for a seven-member Conservation Advisory Council, the members of which are appointed for terms of two years; and

WHEREAS, the terms of Deborah Dresser, Gail Fulton and Alison Filosa expire on November 30, 2018 and Ms. Fulton and Ms. Filosa wish to continue to serve new two-year terms and Genie Abrams has submitted a letter of interest to serve as a Member of the Conservation Advisory Council to replace Rev. Dresser who does not seek reappointment; the same being in the best interests of the City of Newburgh;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York that Gail Fulton and Alison Filosa are hereby re-appointed and Genie Abrams is hereby appointed to the Conservation Advisory Council each for a two (2) year term commencing December 1, 2018 and ending on November 30, 2020.

RESOLUTION NO.: 358 - 2018

OF

NOVEMBER 26, 2018

RESOLUTION SCHEDULING A PUBLIC HEARING
FOR DECEMBER 10, 2018 TO HEAR PUBLIC COMMENT
CONCERNING A LOCAL LAW AMENDING CITY CHARTER SECTION C3.12
ENTITLED "RESIDENCY REQUIREMENTS"
OF THE CODE OF THE CITY OF NEWBURGH

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York, that there is hereby scheduled a public hearing to receive comments concerning "A Local Law Amending City Charter Section C3.12 entitled 'Residency Requirements' of the Code of the City of Newburgh"; and that such public hearing be and hereby is duly set for the next regular meeting of the Council to be held at 7:00 p.m. on the 10th day of December, 2018, in the 3rd Floor Council Chambers, 83 Broadway, City Hall, Newburgh, New York.

#358-18

LOCAL LAW NO.: _______-2018

OF

_____________________, 2018

A LOCAL LAW AMENDING SECTION C3.12 ENTITLED "RESIDENCY REQUIREMENTS" OF THE CODE OF THE CITY OF NEWBURGH

BE IT ENACTED by the City Council of the City of Newburgh as follows:

SECTION 1 - TITLE

This Local Law shall be referred to as "A Local Law Amending Section C3.12 entitled entitled 'Residency Requirements' of the Code of the City of Newburgh".

SECTION 2 – AMENDMENT

City Charter Section C3.12 entitled "Residency Requirements" is hereby amended as follows:

A. Purpose. The City Council of the City of Newburgh finds that individuals who are officers and department heads of the City of Newburgh take a greater interest, commitment and involvement in the municipality that employs them by living within that community. The City Council further finds that in order to protect the health safety and welfare of the citizens of the City where emergencies and emergency work arise, it is necessary that the officers and department heads reside in the City. Accordingly, the City Council determines that there is a sufficient public need to require that officers and department heads initially appointed and hired after the effective date of this Section be residents of the City of Newburgh.

B. Application. This section shall apply to the officers of the City of Newburgh enumerated in Subsection C3.00(B) and (C) of this Article and the City Marshal and Acting City Marshal initially appointed after the effective date of this local law.[1] This section shall not supersede or override any other residency provision existing in state or federal law or existing in the City Charter and Code of Ordinances of the City of Newburgh found to be contrary to the provisions herein. City Charter Section C3.00(D) is hereby repealed by this local law.

C. Definitions. As used in this section, the following terms shall have the meanings indicated:

OFFICER – includes the City Manager, three Civil Service Commissioners, the City Clerk, the members of the Traffic and Parking Advisory Committee, the Corporation Counsel, the

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[1] Local Law No. 3-2018 provided for an effective date of October 15, 2018.

~~Strikethrough~~ denote deletions
Underlining denotes additions

City Comptroller, the City Assessor, the City Collector, the City Purchasing Agent, the City Engineer, the Superintendent of Public Works, the Superintendent of Water, the Police Chief, the Fire Chief, the Building Inspector, the Plumbing Inspector, the Registrar of Vital Statistics, the Deputy Registrar of Vital Statistics, the Parks and Recreation Director, one Planning and Development Director as enumerated in City Charter Section C3.00(B) and (C) initially appointed and hired by the City of Newburgh after the effective date of this local law and the City Marshal and Acting City Marshal initially appointed after the effective date of this local law.

RESIDENCY - a person's usual and customary place of abode where the individual lives and regularly stays, the place where the family of any person permanently resides and the place where any person having no family generally lodges

D. Residency for new officers. Every person initially appointed as an officer of the City of Newburgh after the effective date of this local law shall as a qualification of employment by the City of Newburgh be a resident of the City of Newburgh at the time of initial permanent appointment or become a resident within 90 days of permanent appointment and shall remain a resident of the City of Newburgh as a condition of continued appointment and employment. Except as hereinafter provided, any officer of the City of Newburgh who does not comply with the residency requirements of this Section shall be deemed to have voluntarily resigned.

E. Verification and documentation.

1. The City Council shall be responsible for verifying the compliance with this residency requirement for the City Manager, Civil Service Commissioners, City Clerk and members of the Traffic and Parking Advisory Committee. The City Manager shall be responsible for verifying the compliance with this residency requirement for the remaining officers, except for the City Marshal and Acting City Marshal. The City Court shall be responsible for verifying compliance with this residency requirement for the City Marshal and Acting City Marshal.

2. All relevant sources of verification or documentation must be considered in determining an officer's residence. Where the officer's family permanently resides is a significant factor in determining the officer's residence. The following sources of verification or documentation also should be considered:

Voter's registration
Driver's license
Motor vehicle registration
Utility bills and receipts

~~Strikethrough~~ denote deletions
<u>Underlining</u> denotes additions

Deed
Tax bills and receipts
Contract for sale
Lease or rental agreement
Landlord's affidavit
Insurance policies
Visual verification

F. Waiver.

1. In the event that after a reasonable recruitment period, a municipal officer position covered by this Section cannot be filled by appointing a qualified City resident or a qualified nonresident who is prepared to become a resident within in 90 days of his or her permanent appointment as provided in ~~the provisions of~~ Subsection D of this Section, a waiver of the residency requirements for said position, in whole or in part, ~~will prevent the City from filling the officer positions, one sixty (60) day extension~~ may be granted as follows:

    a. By the City Council for the Civil Service Commissioners, the City Clerk and the Traffic and Parking Advisory Committee members;

    b. By the City Manager for the remaining officers, except for the City Marshal and Acting City Marshal; and

    c. By the City Court for the City Marshal and Acting City Marshal.

2. The person or body authorized to grant the waiver shall certify in writing to the City Council the facts and circumstances supporting the determination to grant the waiver. Such waiver shall apply to such specific individual appointment for which the certification and waiver was granted.

G. Exceptions

1. Notwithstanding any provisions of this Section to the contrary, any person holding an officer position of the City or who is an employee of the City as of the effective date of this local law and who was not a resident of the City as of that date, shall not be required to comply with the requirements of this Section.

2. Nothing herein shall change the residency requirement for any elected City official.

3. Nothing herein shall change the residency requirement of the City Manager as provided in City Charter Section C5.00(C).

~~Strikethrough~~ denote deletions
Underlining denotes additions

SECTION 3 - VALIDITY

The invalidity of any provision of this Local Law shall not affect the validity of any other provision of this Local Law that can be given effect without such invalid provision.

SECTION 4 - EFFECTIVE DATE

This Local Law shall take effect immediately after it is filed in the Office of the New York State Secretary of State in accordance with Section 27 of the Municipal Home Rule Law.

~~Strikethrough~~ denote deletions
Underlining denotes additions

The City of Newburgh
Office of the Corporation Counsel

City Hall – 83 Broadway
Newburgh, New York 12550

Michelle Kelson
Corporation Counsel

Tel. (845) 569-7335
Fax. (845) 569-7338

Jeremy Kaufman
Assistant Corporation Counsel

MEMORANDUM

TO: Councilman Anthony Grice
Councilman Jonathan Jacobson
Councilwoman Karen Mejia
Councilwoman Ramona Monteverde
Councilwoman Hillary Rayford
Councilwoman Patricia Sofokles
Mayor Torrance Harvey
Michael G. Ciaravino, City Manager

FROM: Michelle Kelson, Corporation Counsel

RE: Revised Proposed Amendment to Local Law No. 1-2015
Residency Requirement for Municipal Officers

DATE: August 27, 2018

As you are aware, by Local Law No. 1-2015 of January 12, 2015, the City Council adopted a residency requirement for the Municipal Officers listed in City Charter Section C3.00(B) and (C). The residency requirement was imposed prospectively for all municipal officers initially appointed on or after January 13, 2017. At the July 6, 2017 work session, concerns were raised about the goals, objectives and application of Local Law No. 1-2015, and it was requested that further discussion of this topic be placed on the August 10, 2017 work session agenda. The concerns appeared to focus on balancing the idea of fostering more engaged and committed municipal officers through City residency and recruiting, retaining and promoting the best qualified candidates for municipal officer positions. Summarizing the concerns raised about Local Law No. 1-2015 at the July 6, 2017 work session:

1. Application to individuals who were City employees on or before the date of adoption but who were not municipal officers. Local Law No. 1-2015 requires individuals who were City employees but who were not City residents on or before effective date of the local law to become City residents in order to be considered for a subsequent appointment to a municipal officer position. This has been perceived to have a negative effect on the opportunities for individuals who were employed by the City who want to be promoted to more senior positions but did not contemplate City residency because it was not required at the time the individual commenced employment with the City. Additionally, Local Law

No. 1-2015 provided an exception from the residency requirement for the individuals holding municipal officer positions at the time of adoption but some of those incumbents had less time in service to the City than other employees who are subject to the residency requirement and who want to be considered for promotion.

2. The potential to limit or negatively impact recruitment for the most senior City positions.

In August of 2017, I prepared a draft amendment to Local Law No. 1-2015 containing options to address these concerns which were presented to Council in August 2017 and after public hearing in September 2017, no further action was taken.

The draft amendment to Local Law No. 1-2015 was submitted to Council again at the August 9, 2018 work session. The proposed amendment would apply the exception to the residency requirement to all individuals who are employed by the City on the effective date of a local law containing such amendment. It would treat incumbent employees the same as the incumbent municipal officers. If a current employee was eligible for an appointment to a municipal officer position on a promotional basis and the employee was not a City resident, the employee would not be required to become a City resident by accepting the promotional appointment.

Previously the proposed amendment included the possibility of a partial or full waiver of the residency requirement on a case by case basis where sufficient evidence is submitted and establishes that the municipal officer position cannot be filled with a qualified City resident or a qualified nonresident who is willing to become a City resident. The proposed amendments to waiver provisions were not well-received at the August 9, 2018 work session and the have been removed from the proposed draft amendment.

Please be reminded that no further and additional revisions or amendments to Local Law No. 1-2015 are or were needed to address the residency for the position of Fire Chief because Local Law No. 1-2015 could not and did not override the residency requirement as set forth in POL Section 3(4) because it is not a general law of the State but rather a special law of the State that cannot be superseded by a local law.

If the Council wants to proceed with the revised amendment as now proposed, the next step is to schedule a public hearing by adopting a resolution scheduling such public hearing at the September 10, 2018 Council meeting. The public hearing would be held at a future Council meeting, which could be as early as September 24, 2018.

MICHELLE KELSON
Corporation Counsel

MK/bhs
Attachment

LOCAL LAW NO.: 3 - 2018

OF

OCTOBER 9, 2018

A LOCAL LAW AMENDING SECTION C3.12 ENTITLED "RESIDENCY REQUIREMENTS" OF THE CODE OF THE CITY OF NEWBURGH

BE IT ENACTED by the City Council of the City of Newburgh as follows:

SECTION 1 - TITLE

This Local Law shall be referred to as "A Local Law Amending Section C3.12 entitled entitled 'Residency Requirements' of the Code of the City of Newburgh".

SECTION 2 - AMENDMENT

City Charter Section C3.12 entitled "Residency Requirements" is hereby amended as follows:

A. Purpose. The City Council of the City of Newburgh finds that individuals who are officers and department heads of the City of Newburgh take a greater interest, commitment and involvement in the municipality that employs them by living within that community. The City Council further finds that in order to protect the health safety and welfare of the citizens of the City where emergencies and emergency work arise, it is necessary that the officers and department heads reside in the City. Accordingly, the City Council determines that there is a sufficient public need to require that officers and department heads initially appointed and hired after the effective date of this Section be residents of the City of Newburgh.

B. Application. This section shall apply to the officers of the City of Newburgh enumerated in Subsection C3.00(B) and (C) of this Article and the City Marshal and Acting City Marshal initially appointed after the effective date of this local law ~~on or after January 13, 2015~~. This section shall not supersede or override any other residency provision existing in state or federal law or existing in the City Charter and Code of Ordinances of the City of Newburgh found to be contrary to the provisions herein. City Charter Section C3.00(D) is hereby repealed by this local law.

C. Definitions. As used in this section, the following terms shall have the meanings indicated:

OFFICER - includes the City Manager, three Civil Service Commissioners, the City Clerk, the members of the Traffic and Parking Advisory Committee, the Corporation Counsel, the City Comptroller, the City Assessor, the City Collector, the City Purchasing Agent, the City

~~Strikethrough~~ denote deletions
Underlining denotes additions

Engineer, the Superintendent of Public Works, the Superintendent of Water, the Police Chief, the Fire Chief, the Building Inspector, the Plumbing Inspector, the Registrar of Vital Statistics, the Deputy Registrar of Vital Statistics, the Parks and Recreation Director, one Planning and Development Director as enumerated in City Charter Section C3.00(B) and (C) initially appointed and hired by the City of Newburgh after the effective date of this local law ~~on or after January 13, 2015~~ and the City Marshal and Acting City Marshal initially appointed after the effective date of this local law ~~on or after January 13, 2015~~.

RESIDENCY – a person's usual and customary place of abode where the individual lives and regularly stays, the place where the family of any person permanently resides and the place where any person having no family generally lodges

D. Residency for new officers. Every person initially appointed as an officer of the City of Newburgh after the effective date of this local law ~~on or after January 13, 2015~~ shall as a qualification of employment by the City of Newburgh be a resident of the City of Newburgh at the time of initial permanent appointment or become a resident within 90 days of permanent appointment and shall remain a resident of the City of Newburgh as a condition of continued appointment and employment. Except as hereinafter provided, any officer of the City of Newburgh who does not comply with the residency requirements of this Section shall be deemed to have voluntarily resigned.

E. Verification and documentation.

1. The City Council shall be responsible for verifying the compliance with this residency requirement for the City Manager, Civil Service Commissioners, City Clerk and members of the Traffic and Parking Advisory Committee. The City Manager shall be responsible for verifying the compliance with this residency requirement for the remaining officers, except for the City Marshal and Acting City Marshal. The City Court shall be responsible for verifying compliance with this residency requirement for the City Marshal and Acting City Marshal.

2. All relevant sources of verification or documentation must be considered in determining an officer's residence. Where the officer's family permanently resides is a significant factor in determining the officer's residence. The following sources of verification or documentation also should be considered:

Voter's registration
Driver's license
Motor vehicle registration
Utility bills and receipts
Deed

~~Strikethrough~~ denote deletions
Underlining denotes additions

Tax bills and receipts
Contract for sale
Lease or rental agreement
Landlord's affidavit
Insurance policies
Visual verification

F. Waiver. In the event that the provisions of Subsection D of this Section will prevent the City from filling the officer positions, one sixty (60) day extension may be granted as follows:

1. By the City Council for the Civil Service Commissioners, the City Clerk and the Traffic and Parking Advisory Committee members;

2. By the City Manager for the remaining officers, except for the City Marshal and Acting City Marshal; and

3. By the City Court for the City Marshal and Acting City Marshal.

G. Exceptions

1. Notwithstanding any provisions of this Section to the contrary, any person holding an officer position of the City or who is an employee of the City as of the effective date of this local law ~~January 12, 2015~~ and who was not a resident of the City as of that date, shall not be required to comply with the requirements of this Section.

2. Nothing herein shall change the residency requirement for any elected City official.

3. Nothing herein shall change the residency requirement of the City Manager as provided in City Charter Section C5.00(C).

SECTION 3 - VALIDITY

The invalidity of any provision of this Local Law shall not affect the validity of any other provision of this Local Law that can be given effect without such invalid provision.

SECTION 4 - EFFECTIVE DATE

This Local Law shall take effect on October 15, 2018 after it is filed in the Office of the New York State Secretary of State in accordance with Section 27 of the Municipal Home Rule Law.

~~Strikethrough~~ denote deletions
Underlining denotes additions

I, Lorene Vitek, City Clerk of the City of Newburgh, hereby certify that I have compared the foregoing with the original resolution adopted by the Council of the City of Newburgh at a regular meeting held 10/9/18 and that it is a true and correct copy of such original.
Witness my hand and seal of the City of Newburgh this 10 day of Oct. 20 18
City Clerk

RESOLUTION NO.: 359 - 2018

OF

NOVEMBER 26, 2018

A RESOLUTION AUTHORIZING A TOLLING AGREEMENT WITH NATIONAL EXPRESS GROUP, PLC IN THE CITY OF NEWBURGH'S FEDERAL LAWSUIT RELATING TO THE CONTAMINATION OF WASHINGTON LAKE AND THE CITY OF NEWBURGH WATER SUPPLY

WHEREAS, it has been determined that the source of the per- and polyfluoralkyl substances ("PFAS") contamination in the City of Newburgh's former primary source water supply in Washington Lake, originates from the New York State Air National Guard Base and Stewart Airport in Newburgh NY; and

WHEREAS, by Resolution No. 307-2017 of October 23, 2017, the Council of the City of Newburgh, New York, authorized litigation against any and all potentially responsible parties in connection with the contamination of Washington Lake and the City of Newburgh Water Supply; and

WHEREAS, on August 6, 2018, the City of Newburgh filed suit in federal court against 23 defendants, including National Express Group, PLC ("NEG"), seeking to halt and remediate the on-going contamination of the City's water supply by PFAS substances originating from the New York State Air National Guard Base and Stewart Airport (the "Action"); and

WHEREAS, NEG disputes any liability to the City relating to the City's claims of contamination of its public water supply and for which it seeks, *inter alia*, damages, cost recovery, and injunctive relief (collectively, the "Tolled Claims"); further asserts that it is not subject to the jurisdiction of any United States Court; and represents to the City that it did not participate in or conduct operations on the Airport or Base properties, although it was the parent company and sole shareholder of SWF Airport Acquisition, Inc.; and

WHEREAS, before any discovery has been conducted, the City desires to avoid the inconvenience and cost of serving process on NEG in the United Kingdom and both parties wish to avoid the time and expense of engaging in motion practice concerning the claims against NEG in the Action and/or NEG's amenability to suit in the United States by entering into a Tolling Agreement to facilitate the dismissal of NEG from the Action, without prejudice; and

WHEREAS, this Council now determines that entering into the proposed Tolling Agreement is in the best interests of the City of Newburgh;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York that the City's special counsel be and is hereby authorized to execute the Tolling Agreement to facilitate the dismissal of NEG from the City's federal complaint, without prejudice, and to defer any litigation concerning the Tolled Claims against NEG, without thereby altering the claims or defenses available to any party hereto, except as specifically provided in said Tolling Agreement.

359-18

TOLLING AGREEMENT

This Tolling Agreement is entered into on this ___ day of November, 2018 by and between the City of Newburgh ("City") and National Express Group, PLC ("NEG").

WHEREAS, the City has asserted claims against NEG in an action entitled *City of Newburgh v. United States of America*, et al, S.D.N.Y., 7:18-cv-07057 (KMK) (hereinafter the "Action"), pursuant to, *inter alia*, the Resource Conservation Recovery Act ("RCRA"), 42 U.S.C. §6972, the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA"), 42 U.S.C. §9607(a) and various New York State common law causes of action (including negligence, strict liability for abnormally dangerous activities, public nuisance, trespass, equitable and implied indemnification, and restitution) relating to the alleged disposal of alleged hazardous waste materials and/or substances, including per- and polyfluoralkyl substances ("PFAS"), at New York Stewart International Airport ("Airport") and Stewart Air National Guard Base ("Base"), which the City claims has caused or resulted in the contamination of its public water supply and for which it seeks, *inter alia*, damages, cost recovery, and injunctive relief (collectively, the "Tolled Claims").

WHEREAS, NEG disputes that it has any liability to the City relating to the Tolled Claims and further asserts that it is not subject to the jurisdiction of any Court in the United States;

WHEREAS, NEG represents to the City, although the City reserves the right to dispute that representation, that NEG did not participate in or conduct operations on the Airport or Base properties, although it was identified as the parent company and sole shareholder of SWF Airport Acquisition, Inc. in the Airport lease;

WHEREAS, at this juncture in the Action, before any discovery has been conducted, the City desires to avoid the inconvenience and cost of serving process on NEG in the United Kingdom and both parties wish to avoid the time and expense of engaging in motion practice concerning the claims against NEG in the Action and/or NEG's amenability to suit in the United States;

WHEREAS, the City and NEG enter into this Tolling Agreement to facilitate the dismissal of NEG from the Action, without prejudice, and to defer any litigation concerning the Tolled Claims against NEG, without thereby altering the claims or defenses available to any party hereto, except as specifically provided herein.

NOW, THEREFORE, the parties hereto, in consideration of the covenants set out herein, agree as follows:

1. In reliance upon this Tolling Agreement, the City agrees to voluntarily dismiss its claims against NEG in the Action, without prejudice, in accordance with Rule 41(a)(1)(A)(i) of the Federal Rules of Civil Procedure.

2. The period between August 6, 2018, which represents the filing date of the Action against NEG, and November 30, 2020 (the "Tolling Period") shall not be included in computing

the running of any statute of limitations potentially applicable to any potential future action brought by the City against NEG for the Tolled Claims.

3. Any defenses of laches, estoppel, or waiver, or other equitable defenses based upon the running or expiration of any time period shall not include the Tolling Period for the Tolled Claims.

4. In any potential future action involving the Tolled Claims, NEG shall not assert, plead, or raise against the City in any fashion, whether by answer, motion or otherwise, any defense of statute of limitations, laches, estoppel, waiver or other similar equitable defense based on the running of any statute of limitations that includes the passage of time during the Tolling Period. Nothing herein shall preclude NEG from asserting, pleading or raising the above defenses based on the running of time prior to the filing of the Action on August 6, 2018 and/or the running of time after the November 30, 2020 termination date of this Tolling Agreement.

5. This Tolling Agreement does not constitute an admission or acknowledgment of any fact, conclusion of law, or liability by any party to this Tolling Agreement. This Tolling Agreement does not constitute an admission or acknowledgment on the part of NEG that the City possesses a claim(s) against it, nor does this Tolling Agreement constitute an admission or acknowledgment on the part of the City that any statute of limitations, or defense concerning the timeliness of commencing a civil action, is applicable to the Tolled Claims. The City reserves the right to assert that no statute of limitations applies to any of the Tolled Claims and that no other defense based upon the timeliness of commencing a civil action is applicable. NEG reserves all rights and defenses which it may have to contest or defend any claim or action the City may assert or initiate against NEG with respect to the Tolled Claims, including (without limitation) the right to assert that the statute of limitations applies to any of the Tolled Claims or to assert any other defense based upon the timeliness of commencing a civil action except as specifically set forth in this Tolling Agreement.

6. This Tolling Agreement may not be modified except in a writing signed by all of the parties. This Tolling Agreement may be extended for such period of time as the parties mutually agree to in writing.

7. This Tolling Agreement does not limit in any way the nature or scope of any claims that could be brought by the City in any potential future complaint against NEG or the date on which the City may file or amend a complaint, except as expressly stated herein. This Tolling Agreement does not limit in any way the nature or scope of any defenses that could be asserted by NEG except as specifically set forth herein.

8. This Tolling Agreement is not intended to affect any claims by or against third parties or defenses thereto.

9. The City and NEG shall each preserve and maintain, during the pendency of the Tolling Period, at least one legible copy of all documents and other materials subject to discovery under the Federal Rules of Civil Procedure and relating to the Tolled Claims, regardless of any corporate or other document retention policy to the contrary or potential claim of privilege regarding any document.

10. This Tolling Agreement contains the entire agreement between the parties, and no statement, promise, or inducement made by any party to this Tolling Agreement that is not set forth in this Tolling Agreement shall be valid or binding, nor shall it be used in construing the terms of this Tolling Agreement as set forth herein.

11. The undersigned representative of each of the parties certifies that he or she is fully authorized to enter into the terms and conditions of this Tolling Agreement and to legally bind such party to all terms and conditions of this document. To wit, the City Council of the City resolved to enter into this Tolling Agreement on the ___th day of November, 2018, as set forth in Resolution ___ of 2018.

12. This Tolling Agreement is effective upon execution by the parties, without the requirement of filing with the Court, and may be signed in counterparts.

13. The terms, meaning and legal effect of the Tolling Agreement shall be interpreted under the laws of the State of New York.

AGREED AND ACCEPTED:

City of Newburgh

____
Date

National Express Group, PLC

____
Date

____
KNAUF SHAW LLP
Attorneys for Plaintiff
Alan J. Knauf, Esq. and
Amy K. Kendall, Esq, of Counsel
1400 Crossroads Building
2 State Street
Rochester, New York 14614
585-546-8430

____
YOUNG/SOMMER LLC
Attorneys for Defendant NEG
Dean S. Sommer, Esq. and
Kristin Carter Rowe, Esq.
5 Palisades Drive, Suite 300
Albany, New York 12205
518-438-9907

RESOLUTION NO.: 360 - 2018

OF

NOVEMBER 26, 2018

A RESOLUTION TO AUTHORIZE THE RE-PURCHASE OF REAL PROPERTY KNOWN AS 82 CLINTON STREET (SECTION 10, BLOCK 1, LOT 20) AT PRIVATE SALE TO KEVIN ANDERSON AND LISA ANN ANDERSON

WHEREAS, the City of Newburgh has acquired title to several parcels of real property by foreclosure *In Rem* pursuant of Article 11 Title 3 of the Real Property Tax Law of the State of New York; and

WHEREAS, pursuant to Section 1166 of the Real Property Tax Law the City may sell properties acquired by foreclosure *In Rem* at private sale; and

WHEREAS, Kevin and Lisa Ann Anderson, former owners of 82 Clinton Street, being more accurately described as Section 10, Block 1, Lot 20 on the official tax map of the City of Newburgh, have requested to re-purchase the property at private sale; and

WHEREAS, the City Council of the City of Newburgh has determined that it would be in the best interests of the City of Newburgh to allow the former owner to re-purchase the property, without the need for litigation and subject to any liens, encumbrances or mortgages of record that existed against the properties at the time the City of Newburgh took title in the tax foreclosure proceeding, provided that all taxes, interest and penalties owed are paid expeditiously;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York, that the sale of 82 Clinton Street, Section 10, Block 1, Lot 20, to Kevin and Lisa Ann Anderson be and hereby is confirmed and that the City Manager is authorized and directed to execute and deliver a quitclaim deed to said purchasers upon receipt of all past due tax liens, together with all interest and penalties accruing thereon, and all currently due taxes and charges are paid, in full, for a total amount of $46,336.05 no later than December 31, 2018; and

BE IT FURTHER RESOLVED, by the Council of the City of Newburgh, New York, that the parcel is not required for public use.

RESOLUTION NO.: 361 - 2018

OF

NOVEMBER 26, 2018

A RESOLUTION TO AUTHORIZE THE RE-PURCHASE OF REAL PROPERTY KNOWN AS 23 MONROE STREET (SECTION 14, BLOCK 2, LOT 14) AT PRIVATE SALE TO FREDERIC AND THERESA CLEARWATER

WHEREAS, the City of Newburgh has acquired title to several parcels of real property by foreclosure *In Rem* pursuant of Article 11 Title 3 of the Real Property Tax Law of the State of New York; and

WHEREAS, pursuant to Section 1166 of the Real Property Tax Law the City may sell properties acquired by foreclosure *In Rem* at private sale; and

WHEREAS, Frederic and Theresa Clearwater, former owners of 23 Monroe Street, being more accurately described as Section 14, Block 2, Lot 14 on the official tax map of the City of Newburgh, have requested to re-purchase the property at private sale; and

WHEREAS, the City Council of the City of Newburgh has determined that it would be in the best interests of the City of Newburgh to allow the former owner to re-purchase the property, without the need for litigation and subject to any liens, encumbrances or mortgages of record that existed against the properties at the time the City of Newburgh took title in the tax foreclosure proceeding, provided that all taxes, interest and penalties owed are paid expeditiously;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York, that the sale of 23 Monroe Street, Section 14, Block 2, Lot 14, to Frederic and Theresa Clearwater be and hereby is confirmed and that the City Manager is authorized and directed to execute and deliver a quitclaim deed to said purchasers upon receipt of all past due tax liens, together with all interest and penalties accruing thereon, and all currently due taxes and charges are paid, in full, for a total amount of $2,814.05 no later than December 31, 2018; and

BE IT FURTHER RESOLVED, by the Council of the City of Newburgh, New York, that the parcel is not required for public use.

RESOLUTION NO.: 362 - 2018

OF

NOVEMBER 26, 2018

A RESOLUTION TO AUTHORIZE THE RE-PURCHASE OF REAL PROPERTY KNOWN AS 25 BRIDGE STREET (SECTION 44, BLOCK 4, LOT 3.2) AT PRIVATE SALE TO RICHARD QUILES C/O ACCU-TILE, INC.

WHEREAS, the City of Newburgh has acquired title to several parcels of real property by foreclosure *In Rem* pursuant of Article 11 Title 3 of the Real Property Tax Law of the State of New York; and

WHEREAS, pursuant to Section 1166 of the Real Property Tax Law the City may sell properties acquired by foreclosure *In Rem* at private sale; and

WHEREAS, by his attorney, Richard Quiles, former owner of 25 Bridge Street, being more accurately described as Section 44, Block 4, Lot 3.2 on the official tax map of the City of Newburgh, has requested to re-purchase the property at private sale; and

WHEREAS, the City Council of the City of Newburgh has determined that it would be in the best interests of the City of Newburgh to allow the former owner to re-purchase the property, without the need for litigation and subject to any liens, encumbrances or mortgages of record that existed against the properties at the time the City of Newburgh took title in the tax foreclosure proceeding, provided that all taxes, interest and penalties owed are paid expeditiously;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York, that the sale of 25 Bridge Street, Section 44, Block 4, Lot 3.2, to Richard Quiles c/o Accu-Tile, Inc. be and hereby is confirmed and that the City Manager is authorized and directed to execute and deliver a quitclaim deed to said purchaser upon receipt of all past due tax liens, together with all interest and penalties accruing thereon, and all currently due taxes and charges are paid, in full, for a total amount of $52,463.37 no later than December 31, 2018; and

BE IT FURTHER RESOLVED, by the Council of the City of Newburgh, New York, that the parcel is not required for public use.

RESOLUTION NO.: 363 -2018

OF

NOVEMBER 26, 2018

A RESOLUTION TO CERTIFY THE BASE PERCENTAGES, CURRENT PERCENTAGES, CURRENT BASE PROPORTIONS AND ADJUSTED BASE PROPORTIONS UNDER THE HOMESTEAD OPTION OF ARTICLE 19 OF THE REAL PROPERTY TAX LAW OF THE STATE OF NEW YORK

BE IT RESOLVED, by the Council of the City of Newburgh, New York, that this Council does hereby certify the base percentages, current percentages, current base proportions and the adjusted base proportions as set forth on the annexed certificates, pursuant to Article 19 of the Real Property Tax Law of the State of New York.

363-18

Local Adjustments to the Adjusted Base Proportions

The municipality may make certain adjustments to the ABPs.
See Subsection 1903-4(c) of the Real Property Tax Law

City of Newburgh 2018

STEP 1 - Subtract the Adjusted Base Proportion for the Homestead Class from the Current Percentage for the Homestead Class

Current Percentage for Homestead Class (Part I of form RP-6701)		57.90316
Adjusted Base Proportion for Homestead Class (column R of form RP-6703)	-	49.71581
Difference		8.18734

STEP 2 - Take the Difference computed in STEP 1 and multiply it by 10%, 20%, 25%, 30%, 40%, 50%, 60%, 70%, 75%, 80%, and 90%. Add this amount to the Homestead Adjusted Base Proportion.

Select a Percentage	Amount to be added to Homestead ABP		POSSIBLE TAX SHARES WHICH MAY BE ADOPTED Homestead	NonHomestead
			49.71581	50.28419
10%	0.81873		50.53455	49.46545
20%	1.63747		51.35328	48.64672
25%	2.04684		51.76265	48.23735
30%	2.45620		52.17202	47.82798
40%	3.27494		52.99075	47.00925
50%	4.09367		53.80948	46.19052
60%	4.91241		54.62822	45.37178
70%	5.73114		55.44695	44.55305
75%	6.14051		55.85632	44.14368
80%	6.54987		56.26569	43.73431
90%	7.36861		57.08442	42.91558
100%	8.18734		57.90316	42.09684

RP-6703

NEW YORK STATE OFFICE OF REAL PROPERTY SERVICES
16 SHERIDAN AVENUE, ALBANY, NY 12210-2714

11/21/18

CERTIFICATE OF ADJUSTED BASE PROPORTIONS PURSUANT TO ARTICLE 19, RPTL
FOR THE 2018 ASSESSMENT ROLL

Approved Assessing Unit: City of Newburgh, 331100
Name of Portion: City of Newburgh, 331100
Reference Rol: 2017
Levy Roll: 2018

Section I

DETERMINATION OF PORTION CLASS NET CHANGE IN ASSESSED VALUE DUE TO PHYSICAL AND QUANT EQUALIZATION CHANGES AND COMPUTATION OF CLASS CHANGE IN LEVEL OF ASSESSMENT FACTOR

Class	(A) Total Assessed Value on the Reference Roll Excluding roll section 5	(B) Total Assessed Value of Physical and Quantity Increases between the Reference Roll and Levy Roll	(C) Total Assessed Value of Physical and Quantity Decreases between the Reference Roll and Levy Roll	(D) Net Assessed Value of Physical and Quantity Changes (B-C)	(E) Surviving Total Assessed Value on the Reference Roll (A-C)
Homestead	533,201,570	2,659,575	576,900	2,082,675	532,624,670
Nonhomestead	339,461,995	955,000	950,300	4,700	338,511,695

Class	(F) Total Assessed Value of Equalization Increases between the Reference Roll and Levy Roll	(G) Total Assessed Value of Equalization Decreases between the Reference Roll	(H) Net Equalization Changes (F-G)	(I) Change in Level of Assessment Factor (H/E)+1	
Homestead	14,889,200	1,973,400	12,915,800	1.02425	0.9336
Nonhomestead	5,247,972	3,041,205	2,206,767	1.00652	1.0005

COMPUTATION OF PORTION CLASS ADJUSTMENT FACTOR

Section II

Class	(J) Taxable Assessed Value on the Levy Roll Excluding roll section5	(K) Taxable Assessed Value on the Levy Roll at the Reference Roll Level of Assessment (J/I)	(L) Assessed Value of Special Franchise on the Levy Roll at the Reference Roll Level of Assmnt	(M) Total Taxable Assessed Value on the Levy Roll at the Reference Roll Level of Assessment (K+L)	(N) Taxable Assessed Value on the Reference Roll	(O) Class Adjustment Factor (M/N)	
Homestead	528,882,528	516,361,107	0	516,361,107	513,557,410	1.00546	0.9401
Nonhomestead	334,086,191	331,922,380	45,502,370	377,424,750	373,367,317	1.01087	0.9988

COMPUTATION OF ADJUSTED BASE PROPORTIONS

Section III

Class	(P) Current Base Proportions	(Q) Current Base Proportions adjusted for Physical and Quantity Changes (P*O)	(R) Adjusted Base Proportions (Q/sum of Q)
Homestead	49.84991	50.12206	49.71581
Nonhomestead	50.15009	50.69508	50.28419
Total	100.00000	100.81714	100.00000

CERTIFICATION

I, the clerk of the legislative body of the approved assessing unit identified above, hereby certify that the legislative body determined on __________ base percentages, current percentages, and current base proportions as set forth herein for the assessment roll and portion as identified above.

____
signature

____
title

RP-5701

NEW YORK STATE OFFICE OF REAL PROPERTY SERVICES
16 SHERIDAN AVENUE, ALBANY, NY 12210-2714

11/21/18

CERTIFICATE OF BASE PERCENTAGES, CURRENT PERCENTAGES AND CURRENT BASE PROPORTIONS PURSUANT TO ARTICLE 19, RPTL, FOR THE LEVY OF TAXES ON THE 2018 ASSESSMENT ROLL

Approved Assessing Unit: City of Newburgh, 331100
Name of Portion: City of Newburgh, 331100

DETERMINATION OF BASE PERCENTAGES

Section I

Class	(A) 1991 Taxable Assessed Value	(B) 1991 Class Equalization Rate	(C) Estimated Market Value A/(B/100)	(D) Base Percentages (C/sum of C)
Homestead	179,193,709	41.24	434,514,328	64.7177
Nonhomestead	111,241,235	46.96	236,885,083	35.2823
Total	290,434,944		671,399,411	100.0000

DETERMINATION OF CURRENT PERCENTAGES

Section II

Class	(E) Prior Year Taxable Assessed Value (inc. Spec. Fran.)	(F) Prior Year Class Equalization Rate	(G) Estimated Market Value E/(F/100)	(H) Current Percentages (G/sum of G)
Homestead	513,557,410	100	513,557,410	57.90316
Nonhomestead	373,367,317	100	373,367,317	42.09684
Total	886,924,727		886,924,727	100.00000

DETERMINATION OF CURRENT BASE PROPORTIONS

Section III

Class	(I) Local Base Proportion for the 1992 Assessment Roll	(J) Updated Local Base Proportion I*(H/D)	(K) Prospective Current Base Proportion Part (J) Prorated to 100.00 (J/sum of J)	(L) Adjusted Base Proportion used for Prior Tax Levy	(M) % difference between prior Adjusted Base Proportion and Prospective Current Base Proportion ((K/L)-1*100)	(N) Maximum Current Base Proportion (L*1.05)	(O) Current Base Proportion
Homestead	57.00000	50.99809	49.84991	50.4591	-1.21		49.84991
Nonhomestead	43.00000	51.30518	50.15009	49.5409	1.23		50.15009
Total	100.00000	102.30328	100.00000	100.00000			100.00000

CERTIFICATION

I, the clerk of the legislative body of the approved assessing unit identified above, hereby certify that the legislative body determined on __________ base percentages, current percentages, and current base proportions as set forth herein for the assessment roll and portion as identified above.

signature

title

date

Notes made by Michelle Kelson

ADOPTED, AS AMENDED

RESOLUTION NO.: 364 - 2018

OF

NOVEMBER 26, 2018

A RESOLUTION ADOPTING THE BUDGET
FOR THE FISCAL YEAR 2019

WHEREAS, the City Manager, on October 9, 2018, submitted to the City Council of the City of Newburgh, New York, a detailed estimate, including the "Manager's Proposed Fiscal Year 2019 Budget" and the "Manager's Proposed Personnel Analysis Book" of same date, of revenues and expenditures necessary and proper for all municipal activities accounted for in the General, Water, Sewer, Sanitation and Self-Insurance Funds during the fiscal year of 2019; and

WHEREAS, such detailed estimates have been filed in the City Clerk's Office as required by the Charter of the City of Newburgh so that said estimates may be inspected by anyone interested, and a public hearing was held on November 13, 2019 in reference to said estimates for any item thereof; and

WHEREAS, the Council has made such changes, alteration, corrections and amendments to the said budget as it appears to said Council to be proper, including incorporating such changes as deemed necessary in response to the New York State Office of the State Comptroller's budget review report # B18-6-12 dated November 16, 2018 and as revised dated November 20, 2018 ; and

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Newburgh, New York does hereby approve, determine and adopts the budget for the year 2019 as appears in the annexed "City Council Adopted Fiscal Year 2019 Budget" on November 26, 2018; and

BE IT FURTHER RESOLVED, that the sum of $20,570,466 be levied and raised on account of City taxes for the year 2019 on all the taxable property in the City of Newburgh according to the valuation of the last assessment roll of said City for State, County and City purposes, being $528,882,526 for Homestead Properties and $379,797,004 for Non-Homestead Properties, including special franchise assessments, in accordance with the Real Property Tax Law of the State of New York; and

BE IT FURTHER RESOLVED, that the City Collector is authorized and directed to cause said amount of $20,570,466 to be extended and apportioned on said assessment roll at $19.~~336570~~ for Homestead properties and ~~$27.234791~~ for Non-Homestead Properties on every $1,000 of taxable real property, including special franchise assessments; and

BE IT FURTHER RESOLVED, that the required sewer, water and sanitation fees for the taxable and non-taxable properties for the year 2019 is as set forth in Section 163-1 of the City Code of Ordinances; and

BE IT FURTHER RESOLVED, that the City Collector is authorized and directed to cause any and all amounts reported as omitted taxes to be levied against the real property subject to said omitted taxes and to cause the amounts reported by the City Collector as overdue and unpaid water rents, sewer rents and sanitation user fees, and unpaid charges of property abatement, with the interest and penalties thereon, to be added to the tax levied against the real property for which or in connection with which such water, sewer and sanitation was provided; and

BE IT FURTHER RESOLVED, that said City tax roll shall be delivered to the City Collector on the 2nd day of January 2019, signed by the City Manager and under the seal of the City, directing and commanding said City Collector to receive and collect in the manner provided by the law for the levying and collecting of County taxes by City Collectors, these several amounts in the roll specified as against the persons or property therein mentioned and described, and that said warrant shall direct the City Collector to collect said assessments in four equal installments as follows:

The first installment commencing on the 2nd day of January 2019, and collect up to and including the 5th day of February 2019, without fees, and to add 5% from the 6th day of February 2019, up to and including the 1st day of April 2019.

The second installment commencing on the 1st day of March 2019, and collect up to and including the 5th day of April 2019, without fees, and to add 5% from the 6th day of April 2019, up to and including the 30th day of May 2019.

The third installment commencing on the 1st day of May 2019, and collect up to and including the 5th day of June 2019, without fees, and to add 5% from the 6th day of June 2019, up to and including the 30th day of July, 2019.

The fourth installment commencing on the 1st day of July 2019, and collect up to and including the 5th day of August 2019, without fees, and to add 5% from the 6th day of August 2019, up to and including the 1st day of October, 2019.

In addition, thereto, for all late payments remaining unpaid for ninety (90) days after the first date designated for the collection of same, there shall be added an additional penalty in the amount of 10% per annum computed from said first date of collection; and

BE IT FURTHER RESOLVED, that the amounts, when collected, be deposited daily with the Key Bank of NY, N.A., Chase, TD Bank, Sterling National Bank, or in any of the said banks in compliance with the requirements set forth in the Newburgh Fiscal Recovery Act by said City Comptroller and credited and applied to the several respective funds and accounts as stated in the Adopted Budget for taxes now confirmed and approved by said City Council, including credit balances heretofore appropriated.

Slide Presentation by Financial Consultant Charles Duffy

2019 BUDGET GOALS

- Hold Homestead and Non-Homestead Rates Steady
  - 0.50% Homestead rate increase, $15.73 for a $150,000 value Homestead
  - 1.44% Non-Homestead rate increase, $57.14 for a $150,000 value Non-Homestead
- Stay Under the New York State Tax Cap:
  - Tax Levy is $1,000 Under the New York State Tax Cap
- Maintain Fund Balance in 10% to 15% range for Rating Agencies
  - Ending Fund Balance projected to be 9.70% of the 2019 Proposed Budget
- Reduce Overtime overruns by staffing at Required Titles.
  - Police staffing effort is projected to reduce actual overtime by $137,255 in 2019.

2019 City Council Budget Dashboard

2019 City Council Tax Levy Analysis	Amount				
2018 Tax Levy	$ 19,904,325				
2019 Manager's Budget Levy Increase	1,421,965				
2019 Manager's Proposed Levy	$ 21,326,290	7.14%	Increase		
Net Effect to Manager's Budget Levy	(755,824)	-3.80%	Reduction		
2019 City Council Proposed Tax Levy	**$ 20,570,466**	**3.35%**	**Increase**		
2019 Homestead Non/Homestead Rates	Current Allocation		10%	Rebalance	
Homestead Rate Inc/(Dec) $150k per 1,000 AV	-1.13%	(33.04)		0.50%	14.73
Non-Homestead Inc/(Dec) $150k per 1,000 AV	3.12%	123.66		1.44%	57.14
2019 Tax Cap Calculation	$ 20,571,466	3.35%	Increase		
Levy Amount Under/Over the Tax Cap	**$ 1,000**	**0.01%**	**-Over/Under Cap**		
2019 Fund Balance Analysis					
2018 Adopted Budget	$ 44,650,901				
2017 Unreserved Fund Balance	$ 4,973,868	11.14%	within 10-15%		
2019 Manager's Proposed Budget	$ 45,768,505				
2017 Unreserved Fund Balance	$ 4,973,868	10.87%	within 10-15%		
	$ 1,990,720				
2019 City Council Proposed Budget	$ 47,759,225				
2019 City Council Changes	$ 4,634,943	**9.70%**	**within 10-15%**		

2019 Proposed Changes	As of 11/13 Meeting	OSC Changes	Proposed Budget	
Reduce Levy by 2018 Projected Income	$ (546,031)	-	$ (546,031)	
Additional Use of Fund Balance	(65,925)	(273,000)	(338,925)	Increased Use of Fund Balance to bring
Total Use of Fund Balance	$ (611,956)	$ (273,000)	$ (884,956)	Unrestricted Balance to 10% Floor Level.
Expiring Assessment Exemptions	$ (49,000)	$ -	$ (49,000)	
DPW Staffing Change	(840)	-	(840)	
Remove City Manager Longevity	(1,620)	-	(1,620)	
Reduce New Fire Chief to lower salary step	(14,069)	-	(14,069)	
Increase Longevity of DPW Admin	118	-	118	
Reduced MEO to lower salary step	(5,018)	-	(5,018)	
Reduced MEO/Trees to lower salary step	(5,036)	-	(5,036)	
Reduced MEO to lower step, remove longevity	(10,384)	-	(10,384)	
Police Staffing Promotion Changes	(114,348)	114,348	-	
Sales Tax Revenue Estimates	(227,752)	(550,000)	(777,752)	
Meter Fines	(10,000)	-	(10,000)	
Pension Item	-	576,193	576,193	Pension Expense Adjustment
Reduce Pension by Pensions funded by Grants	-	(84,694)	(84,694)	Reduction for Grants
Overtime Item	-	166,000	166,000	Spread $830,000 over 5 years
Tax Overlay Item	-	227,500	227,500	Spread $2,275,000 Tax Overlay over 10 years
Contingency Item	-	130,000	130,000	Spread $650,000 Contingency over 5 years
Reduction to Contingencies to be under Tax Cap	-	(12,266)	(12,266)	These items address $2,190,917 of OSC Items
Subtotal Increases to Mgr's Budget Expenses	$ (437,949)	$ 567,081	$ 129,132	$ 2,190,917
Net Effect to Manager's Budget Levy	$ (1,049,905)	$ 294,081	$ (755,824)	
Add Debt Service Fund to Revs and Exps	-	1,073,836	$ 1,073,836	
Net Effect of changes to Manager's Budget	$ (1,049,905)	$ 1,367,917	$ 318,012	

$ 45,768,505	Manager's Gross Budget
(200,197)	Council's Budget Reductions
2,190,917	Gross OSC Budget Increases
$ 47,759,225	Proposed Gross Budget

OLD BUSINESS

Mayor Harvey requested an update on the city's comprehensive video surveillance program. He would like to get a count as we conclude the 2018 fiscal year to see if we need to find grant funding for additional cameras.

Police Chief Doug Solomon stated that he received information from the IT Department. Due to the Holiday weekend, he needed some additional time to digest the information before he provides an overview to the council at the next work session. He pointed out that there are two sets of cameras from two separate vendors, and there are maintenance agreements involved.

Councilwoman Monteverde requested an update about the grants from our consultant firm Millenium. She would like to know what grants we have applied for, and what grants have come in. She would like to have an update at the December work session.

Councilwoman Rayford requested an update about the forensic audit. She understands that the city has its own auditor; but, when it comes to a forensic audit, we have to have outside sources. Key personnel have resigned, or are planning to resign, and she feels that a forensic audit should be in place. It has been postponed for quite a while now.

Councilman Grice agreed with Rayford about the need for a forensic audit, especially after we just passed a responsible budget.

Michelle Kelson spoke to the steps and measures required for a forensic audit. There is a cost associated with it. Our independent auditors will come in the beginning of the new year. The city has hired the firm O'Connor Davies, and the council has already passed a resolution for it. A forensic audit is different. It will require soliciting proposals from other accountants who are qualified to perform the work. She does not know how long the solicitation will take, nor does she know what the costs will be until after we receive the proposals back. She pointed out that the annual audit by O'Connor Davies costs the city anywhere from $45K- $46K for a standard audit. A forensic audit is likely to cost much more than that. It is not something that she has done before, and it will require the assistance of the Comptroller's Office. She stated that everybody would continue to do the best they can do; yet she would try to move it forward.

Mayor Harvey commented. He heard that a forensic audit could cost upwards of $78K. He has been informed that the council could possibly create a public safety commissioner to try to look into the police and fire department overtime. In this respect, an independent firm would be hired to look at the data analysis of staffing, in a non-threatening and non-intrusive manner. We may be able to look at it as an option to try to help assist both chiefs with reducing overtime. In addition to that, there are contingencies in place to try to lock in some funding for a new Public Safety Building. Our ultimate goal is to properly staff our men and women, who put themselves on the line for our safety every day; as well as create competitive salaries and benefits that are comparable to neighboring municipalities.

Rayford does not want the council to shy away from a forensic audit because of the costs that may be associated with it. She wants to be assured that there is no theft in the city. Department heads have left abruptly, so she wants to make sure that our money is protected. It raises questions about the overtime, such as was the overtime true? All of a sudden we can save money by promoting an individual? She asked if there has been any accountability. Also is crime still down? She respects her colleagues' opinions, but stealing time is the same thing as stealing taxpayer money. Everybody is leaving, and it is putting us in a jam. Let's have a public hearing, and let the public decide if they want to have a forensic audit performed. We can't be naïve about it.

Councilwoman Monteverde commented. She stated that over the past year we have talked to both chiefs about holding their staff accountable for overtime, and they know that the council is really watching it. In her opinion we can spend that money elsewhere rather than on the expense of a forensic audit.

Councilwoman Sofokles commented. We just passed the budget where we were able to remain under the Tax Cap. We have a police chief that is showing accountability by lowering the overtime in his department. Two promotions, which should have been done a few years ago, are lowering the overtime in the fire department. We don't have the money to hire a public service commissioner. Let the department heads do their jobs, and let's get through the budget tonight. Then we can address some of these other issues. She stated that no one is being naïve about it.

There was no further old business to discuss.

NEW BUSINESS

There was no new business to discuss.

FURTHER COMMENTS FROM THE COUNCIL

Councilman Grice reiterated the importance of clean water and fiscal responsibility.

Councilwoman Mejia remarked. She is speechless that the homeowners received a violation on the garden, because flowers should not be considered a violation. Corporation Counsel will review the language in the Code though. She wholeheartedly supports the sentiment that no city resident should be drinking from that water source until there is a complete remediation. As we transition leadership in our city, we should devote one entire meeting on the update on the water crisis, as an information point for the community. It has been an interesting budget season, and she is glad that we got through it. Mejia thanked Assemblyman Jacobson for staying this evening to see the budget passed. She stated that we have to be smart about what gets put onto the December agenda, as we only have one meeting scheduled for the month.

Councilwoman Monteverde commented. She is thankful that we got through the budget, and passed it tonight. She was a little worried that the council would not come to an agreement. She is nervous about what the State's response to the budget will be. She asked Mr. Duffy to shed some light on it.

Charles Duffy commented. He stated that we are in unchartered waters, in that not too many municipalities are monitored by the Office of the State Comptroller. In this budget we are making all best efforts, and he is hopeful that that will be considered.

Monteverde continued her comments. She is looking forward to working with Councilman Grice about the convening of a citizens' group that will look at creative ways to draw revenue for the city. She and Grice read an article in the New York Times, in which the City of New York has put together a citizen's group that is working on the budget in their own ward.

Councilwoman Rayford commented that it is a tough time for the council, as well as the employees in the City of Newburgh. She would like to see the fine reimbursed to the homeowners for the garden violation they incurred. We do want to continue to see our city beautified, and the homeowners take a lot of time and effort to do that. Rayford agrees with some of the public comments made earlier this evening. She stated that she made an oath to the city that she would be true, transparent, approachable, and accountable. She felt that if the city manager was a Black Man he would have been ridiculed, or worse. She feels that the council has to do better. It is not a social club, and she does not understand why he is still here when he gave the city four months advance notice that he was leaving.

Councilwoman Sofokles commented that we passed the budget, so now we will see what happens with the State Comptroller's Office. She is going to hold Assemblyman Jacobson accountable for what he said he was going to do. Sofokles implored the public to have confidence in the council in the way it is handling matters through the proper

channels. The City Manager submitted a resignation letter stating that his last day of service would be December 31, 2018. According to her calculations, today is November 26, 2018. Personally she is sorry to see him leave.

Harvey thanked Assemblyman Jacobson for being here this evening. He misses Jacobson's presence at the table already; yet we have a wonderful collaboration with the new Assemblyman. There is new leadership in the State Senate and the State Assembly, and we anticipate that there is going to be some assistance with regard to many things, in particularly a new public safety building for our men and women. Harvey received a call from the Governor's Office about a $25 Million funding opportunity that not-for-profit organizations in our city, as well as other urban cities throughout the State, would be eligible to apply for funding to promote job training, software skills, resume writing and interviewing skills for our residents and young people. Those details are forthcoming.

We have to steady the ship, and we are seeking an interim city manager as the current city manager transitions out. Harvey stated that they want to make sure that all candidates are properly vetted, and that the Civil Service process is followed. He stated that the council would continue to do its due diligence so that they don't make any rash decisions. He thanked all of the executive staff members, including the City Manager Michael Ciaravino and our financial consultant Charles Duffy, as well as all of our city departments for their efforts in getting this budget passed through these very challenging times.

There were no other comments at this time.

ADJOURNMENT

There being no further business to come before the council, the meeting adjourned at 9:25 P.M.

Respectfully Submitted,

KATRINA COTTEN

DEPUTY CITY CLERK