

A regular meeting of the City Council of the City of Newburgh was held on Monday, September 26, 2011 at 7:00 P.M. in the Council Chambers at City Hall, 3rd Floor, 83 Broadway, Newburgh, New York 12550

The Prayer was led by Mayor Valentine and the Pledge of Allegiance was led by Councilwoman Angelo.

Present: Mayor Valentine, presiding; Councilwoman Angelo, Councilwoman Bell (arrived late at 7:05 pm), Councilwoman Bello, Councilman Dillard - 5

Councilwoman Angelo moved and Councilwoman Bello seconded that the minutes of the regular meeting of September 12, 2011 be approved.

Ayes - Councilwoman Angelo, Councilwoman Bello, Councilman Dillard, Mayor Valentine - 4

(Councilwoman Bell arrived late - not present for vote)

CARRIED

City of Newburgh Proclamation

In Recognition of National Hispanic Heritage Month
September 15- October 15, 2011

“Many Backgrounds, Many Stories...One American Spirit”

During this month, the nation celebrates Hispanic culture, achievements, and heritage by commemorating the following historical events:

Independence Day for Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Chile and Mexico; and El Dia de la Raza, October 12.

In the City of Newburgh, the Hispanic community makes up more than 45% of the population, and their vision, enthusiasm, and rich culture Are reflected in the wonderful diversity of our community

Therefore, I, Nicholas Valentine, Mayor of the City of Newburgh, New York, proclaim September 15- October 15, 2011 as Hispanic Heritage Month in the City of Newburgh.

Nicholas Valentine, Mayor

PRESENTATION

The City Council presented a Certificate of Recognition to Ruth Senmache who is a 5th Grade student at West Street School for winning the New York State Spanish Spelling Bee Championship.

COMMUNICATIONS

Councilwoman Angelo moved and Councilwoman Bello seconded that the Notices of Claim be referred to Corporation Counsel with power to act.

Ayes - Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine - 5

CARRIED

PROPOSED PUBLIC HEARING

RESOLUTION NO.: 187-2011

OF

SEPTEMBER 26, 2011

**A RESOLUTION SCHEDULING A PUBLIC HEARING
FOR OCTOBER 11, 2011 TO HEAR PUBLIC COMMENT
CONCERNING A LOCAL LAW ADDING CHAPTER 137 ENTITLED
"COLLATERAL LOAN BROKERS" TO THE CODE OF ORDINANCES
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 Adding Chapter 137 entitled 'Collateral Loan Brokers' to the Code of Ordinances 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 11th day of October, 2011, in the 3rd Floor Council Chambers, 83 Broadway, City Hall, Newburgh, New York.

Councilman Dillard said to call it what it is; a Pawn Shop.

Mayor Valentine said that in order to have a Pawn Shop within your municipality it calls for a Local Law.

Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.

Ayes - Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine - 5

ADOPTED

LOCAL LAW NO.: _____ - 2011

OF

A LOCAL LAW ADDING CHAPTER 137 ENTITLED
“COLLATERAL LOAN BROKERS”
TO THE CODE OF ORDINANCES
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 Adding Chapter 137 entitled ‘Collateral Loan Brokers’ to the Code of Ordinances of the City of Newburgh”.

SECTION 2 - PURPOSE AND INTENT

The purpose of this local law is to promote the public health, safety and welfare of the City of Newburgh by regulating and collateral loan brokers to protect the property rights of its residents and to assist law enforcement in the recovery of stolen property and the identification of suspects.

SECTION 3 - AMENDMENT

The Code of Ordinances of the City of Newburgh is hereby amended to add new Chapter 137 entitled “Collateral Loan Brokers” to read as follows:

“CHAPTER 137, COLLATERAL LOAN BROKERS

§137-1 Definitions.

As used in this chapter, the following terms shall have the following meanings:

COLLATERAL LOAN BROKER – Any person loaning money on deposit or pledge of personal property, other than securities or printed evidences of indebtedness; dealing in the purchase of personal property on condition of selling back at a stipulated price; or designated or doing business as furniture storage warehousemen, and loaning and advancing money upon goods, wares or merchandise pledged or deposited as collateral security; a pawnbroker.

PERSON - an individual, corporation, limited liability company, partnership, association, agency, trust, estate, or other entity capable of being sued.

§137-2 License Required.

No person, either as principal, agent or employee, shall within the limits of the City of Newburgh, establish, engage in or carry on the business of collateral loan broker, either separately or in connection with some other business, without first having obtained and paid for and having in full force and effect a license as herein provided.

§137-3 Application for License; application fee.

A. Every person desiring to procure a license under this chapter shall file with the City Clerk a written application upon a blank form prepared and furnished by the City which shall provide the following information:

1. The name of the collateral loan broker.
2. The address of the principal office of such collateral loan broker, if any, wherever situated, and the address or addresses of the principal office of such collateral within New York State, if any.
3. The names, residences and business addresses of the principal officers if the applicant is an individual, partnership or firm, or the names, residences and business addresses of the principal officers if the applicant is an association or corporation.
4. A certificate of incorporation and certificate of Good Standing, if the applicant is a corporation, and if the applicant is a foreign corporation, an application for authority to business in New York State.
5. A description of the character of the business in which the applicant desires to engage.
6. The length of time such applicant or applicants, if an individual, firm or partnership, or the manager or person in charge, if the applicant is a firm, partnership, corporation or association, has or have resided in the State of New York; his/her or their place of previous residences and employment whether he/she or they or any of them have ever been convicted of a felony or misdemeanor and, if so, what offense, when and in what court.
7. The street address where such business is to be located or carried on.
8. Whether the applicant or applicants or manager have, either alone or with someone else, ever engaged in the business of collateral loan broker.

B. The Application shall be signed and acknowledged before a notary public.

C. The Application shall be accompanied by a non-refundable application fee as set forth in Chapter 163, "Fees" of the Code of Ordinances of the City of Newburgh.

§173-4 Bond Required.

The license application shall be accompanied by a bond to the City of Newburgh, approved as to form by Corporation Counsel, in the penal sum of \$10,000.00, with two responsible sureties or sufficient collateral security, conditioned on the faithful performance of the duties and obligations pertaining to the business so licensed, the due observance during the term of the license of any and all ordinances and laws which are now in force or may be hereafter be adopted or enacted respecting the business of collateral loan broker as defined in Section 173-1 of this Chapter, and the accounting for and paying over of all moneys which the licensee shall be liable to pay as such collateral loan broker to the City of Newburgh.

§ 173-5 Issuance or Denial of License; contents; reapplication after rejection.

A. Upon the filing of the application, bond and information as provided in this Chapter, the City Manager may, upon his/her approval of such application and bond as to the sufficiency of the sureties or collateral securities, and upon the payment to the city of the license fee hereinafter provided, direct the City Clerk to issue to the applicant a license to engage in the business as provided in Section 173-2 of this Chapter. No license shall be denied except for specific reason and for the protection of the public safety or welfare.

B. All licenses shall be numbered in the order in which they are issued and shall state clearly the location of the place of business in which the person receiving such license shall be authorized to establish, engage in and carry on the business, the kind of business, the dates of issuance and expiration of the license, the fees paid and the name and address of the licensee.

C. No applicant to whom a license has been denied shall make further or additional application until a period of at least six months shall have elapsed since the last previous denial, unless he/she can demonstrate that the reason for such denial no longer exists.

§ 173-6 License fee; renewal new licenses; non-transferability; duplicate licenses.

A. Every collateral loan broker shall pay an annual license fee as set forth in Chapter 163, "Fees" of the Code of Ordinances of the City of Newburgh.

B. All renewal licenses shall be issued as of January 1 and shall continue in force until the following December 31, unless otherwise revoked by the City Manager in accordance with this Chapter.

C. New licenses shall be issued as of the date of the approval by the City Manager, to be effective until the next succeeding December 31, and the annual fee shall be paid to cover the period of the new license.

D. No license shall be used by any person other than the original licensee; and any holder of such license who permits it to be used by any other person, and any person who uses such license granted to any other person, shall be guilty of a violation of this Chapter.

E. Whenever a license shall be lost or destroyed without fault on the part of the holder or his/her agent or employee, a duplicate license in lieu thereof under the original application and bond may be issued by the City Manager in his/her discretion, upon the filing with it an affidavit by the licensee, setting forth the circumstances of the loss and what, if any, search has been made for its recovery, along with a replacement fee as set forth in Chapter 163, "Fees" of the Code of Ordinances of the City of Newburgh. No person shall destroy, deface or injure a license in any manner, or change the name, number or dates therein.

§ 173-7 Revocation of License.

The City Manager may, at any time, after investigation and hearing before the City Manager or his/her designee at which the licensee may be heard, for violation of this Chapter or for any other proper cause, revoke any license granted under the provisions of this Chapter. Whenever any license shall be revoked, no refund of any unearned portion thereof shall be made, and no license shall be granted to any person whose license has been revoked within a period of one year from the date of such revocation. Notice of such revocation and the reason therefor in writing shall be served by the City Manager upon the person named in the application by personal service or by mailing the same to the address given in the application and upon filing of a copy with the City Clerk.

§ 173-8 Change in Location of Business.

If any licensee shall move his place of business from the location designated in the license, he shall immediately give notice to the City Clerk and have the same endorsed on the license.

§ 173-9 Record of Loans.

No collateral loan broker shall accept any pledge until the person pawning such pledge shall have adequately proved his/her identity or shall have adequately proved ownership of the article pawned. Every licensed collateral loan broker shall keep in a substantially bound book, which shall be legibly written in ink and in English at the time of making a loan, an account and description of the goods, articles or things pawned or pledged, including the number or numbers and any monogram, inscription or other marks of identification that may appear thereon, the amount loaned thereon, the time and day of the loan and its maturity, the rate of interest paid on such loan and the named, general description and residence of the person pawning or pledging such goods, articles or things and a record of the means of identification of the pledger or of the proof of ownership by the pledger. Such book and all articles pawned or pledged shall at all reasonable times be open to inspection by any police officer, the City Manager, or any person duly authorized in writing for such purpose by the City Manager or Police Chief, who shall exhibit such written authority to the collateral loan broker and to all persons authorized by Section 45 of the General Business Law of the State of New York. No entry in such book shall be erased, obliterated, altered or defaced.

§ 173-10 Report to City of Newburgh Police Department.

Every collateral loan broker shall, at such times as the Police Chief may prescribe in a written notice, to be served upon such collateral loan broker by a sworn member of the Police Department, report to the Police Department, on blank forms to be furnished by the Police Department, a description of all goods, articles or things, or the identity or proof of ownership of pledgers, such as is required to be kept under Section 173-9 of this Chapter, which have been pawned or pledged in the course of business of the collateral loan broker during the days specified in such notice and, if such notice from the Chief of Police so prescribes, such collateral loan broker shall, at that time and until he/she is so notified to discontinue so doing, keep and furnish on such blank forms such information, as well as a general description of every person depositing such pledge.

§ 173-11 Note Required for Redemption.

Every licensed collateral loan broker shall, at the time of each loan, deliver to the person pawning or pledging any goods, articles or things a memorandum or note signed by him/her containing his/her address and the substance of the entry required to be made or received by any collateral loan broker for any such entry, memorandum or note. The holder of such memorandum or note shall be presumed to be the person entitled to redeem the pledge, and the collateral loan broker shall deliver such article to the person so presenting such memorandum or note upon payment of principal and interest; should such memorandum or note be lost or mislaid, the pawner shall at once apply to the collateral loan broker, in which case it shall be the duty of the collateral loan broker to permit such person to examine his/her books, and upon finding the entry for such memorandum or note so lost and upon giving to the collateral loan broker an exact description of the article pawned, the collateral loan broker shall issue a second or stop ticket for the same. In case such pawner neglects to so apply and examine such books and receive such memorandum or note in the manner above stated, the collateral loan broker shall be bound to deliver the pledge to any person producing such memorandum or note for redemption thereof. This section is not to be construed as in any manner limiting or affecting such collateral loan broker's common-law liability in cases where goods are stolen or other legal defects of title exist in the pledge.

§ 173-12. Rate of Interest.

A. No collateral loan broker shall ask, demand or receive any greater rate of interest than four per centum per month, or any fraction of a month, and a notice containing a list of such rates of interest as herein provided and in accordance with the Act of Congress entitled, "Truth in Lending Act" (15 U.S.C. 1601 et seq.) and the regulations thereunder, as such Act and regulations may from time to time be amended, shall be conspicuously displayed within the premises of such collateral loan broker. A minimum interest charge of \$0.25 per month may be made on any loan.

B. No collateral loan broker shall receive or be entitled to any interest or charges as provided by this section on any loan for any period of time exceeding 15 months from the date of the making of such loan, provided, however, that where a loan is extended at the direct request of the pledger, the collateral loan broker may receive and be entitled to any interest or charges provided

by this article on such loan for any period of time not to exceed 15 months from the date of such extension.

C. No such collateral loan broker shall make any charge for packing, storing, keeping or caring for any article, goods or things pledged or upon which a loan has been made.

§ 173-13 Sale of Unclaimed Pledge.

No licensed collateral loan broker shall sell or otherwise dispose of any pawn or pledge unless the interest shall be six months or more in arrears, and all such sales shall be at public auction and shall be conducted by auctioneers licensed with the State of New York. All bids for the purchase of any defaulted pledge offered at such sale shall be expressed in dollars and cents without the use of any special signs, signals or motions if less than 11 people attend such sale.

§ 173-14 Notice of Sale.

Notice of every such public sale shall be published for at least six days previous thereto in the official newspapers of the City of Newburgh as set forth in Chapter 20 of the Code of Ordinances of the City of Newburgh, and such notice shall specify the time and place at which such public sale is to take place and a description of the goods or articles to be sold. Every collateral loan broker shall enter in a book kept for that purpose a true account of the sale of all goods sold by him/her at auction or otherwise, stating the day of the month when pledged, the name of the person pledging, the day when and the amount for which each pledge was sold and the name of the auctioneer. Any person who shall have pledged any unredeemed goods, or his/her assigns, administrators and executors, shall at all reasonable times be permitted to inspect such entry book of sale. Every collateral loan broker shall give notice of the expiration of the six months from the date of the loan after which a public sale of the article pledged may take place, by letter directed to the borrower at his/her last known residence at least 10 days and not more than 20 days after the expiration of such six months.

§ 173-15. Disposition of Proceeds of Sale.

A. The surplus money, if any, arising from any such sale, after deducting the amount of the loan, the interest then due on the same and the expense of advertising and sale shall be paid over by the collateral loan broker to the person who would be entitled to redeem the pledge in case no such sale had taken place, provided that demand therefor is made within one year after such sale shall have taken place.

B. In the event that there is any surplus money due to a pledger after such sale, the collateral loan broker shall give the pledger written notice thereof, by mailing to such pledger, directed to him/her at the address given at the time of pledging or in the event such pledger has notified the collateral loan broker, in writing, of a change of address, to such new address, within 30 days after such sale, a notice which shall state the name and address of the collateral loan broker, the number of the pledge, the date of sale and the amount of any surplus.

§ 173-16 Posting of Rates.

Every licensee shall cause to be posted in a conspicuous part of his/her office or place where the collateral loan broker business is carried on, so as to be visible to all persons pledging goods, a printed card or table of the rates of interest authorized by this chapter, printed in large type and in both the English and Spanish languages.

§ 173-17 Prohibited Acts.

A. No collateral loan broker shall:

1. Permit the redemption of any article received by him/her in pawn until 48 hours after the same has been received by him/her in pawn.
2. Fail to deliver to the borrower a plain and complete receipt for all payments on account at the time such payments are made.
3. Carry on business at any other place than the one designated in his/her license.
4. Continue to carry on business after his/her license is revoked or shall have expired.
5. Display signage containing the words "pawn," "pawnbroker" or "pawnshop."
6. Operate his/her/its collateral loan business except in conjunction with a retail sales component that comprises at least 75% of the combined retail/collateral loan business.

B. No collateral loan broker or person in the employ of a collateral loan broker shall receive or purchase any goods, chattels, wares or merchandise from, or make any loan or advance or permit to be loaned or advanced to, any child, actually or apparently under the age of 18 years, any money, or in any manner directly or indirectly receive any goods, chattels, wares or merchandise from any such child in pledge for loans made or to be made to it or to any other person or otherwise howsoever. It shall be no defense to a prosecution for a violation of this section that in the transaction upon which the prosecution is based the child acted as the agent or representative of another or that the defendant dealt with such child as the agent or representative of another.

§ 173-18. Transfer of License.

No license issued under this chapter may be assigned, sold or transferred.

§ 173-19 Penalties for Offenses.

A. Any person who, himself or by his/her clerk, agent or employee, shall establish, engage in or carry on the business of collateral loan broker or shall violate any of the provisions of this chapter, or who, having had his/her license revoked, shall continue to engage in or carry on the business of collateral loan broker, shall be guilty, upon conviction, of an offense punishable by a

fine of not less than \$250 nor more than \$1,000 or by imprisonment for a period not exceeding 15 days, or by both such fine and imprisonment.

B. In addition to the penalty imposed, the license of the person violating the same shall be canceled or revoked, and the bond upon such license shall be forfeited. Upon such forfeiture, the amount of the bond shall thereupon become due and payable to the City of Newburgh, and the amount thereof may be recovered in a civil action based upon such forfeiture.

SECTION 4 - 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 5 - EFFECTIVE DATE

This Local Law shall be effective when it is filed in the Office of the New York State Secretary of State in accordance with the provisions of New York State Municipal Home Rule Law.

PUBLIC HEARING

Mayor Valentine called a public hearing that was advertised for this meeting concerning a local law amending Section C3.00 of the City Charter entitled "Municipal Officers Enumerated" within the Code of the City of Newburgh.

Mayor Valentine explained that this is for a City Marshall which we currently don't have. The way the Local Law is currently written the City Marshall must be a City of Newburgh resident and we are looking at drafting a law that would give us the option of going beyond the City limits to get a City Marshall.

Rich Fiore, President of the Orange County Landlord Association said that the way this law is written right now it is very difficult to find someone who is qualified to be the City Marshall. If we could amend the law to say that we want a retired police officer who resides in the City, that would be preferential but if we can't meet that then it should be expanded to a retired City of Newburgh police officer who lives within a thirty mile radius. Close enough and experienced enough to handle the job. As Mayor Valentine mentioned earlier, we currently have no City Marshall and we have not had one for several months. He said that he started an eviction months ago and they can't get the tenants out even though they have not paid rent since April. It takes several months to get to Court because it is postponed several

times and then it takes weeks to get the papers signed. Now several months have gone by with the tenants not paying rent because they don't have to. He said that they have to pay the taxes whether they get paid the rent or not so this doesn't just hurt the landlords it hurts the City too. If we could expand this law just a little bit to find the most qualified person for the job, which is to execute a Court Order. We need someone who can do the job and work with the tenants and the landlords.

Mike Acevedo, Landlord, said that we have police officers, firemen and even the City Manager doesn't live in the City of Newburgh. We need someone to fill this job because it is hard on us.

Peter Gasparini, member of the Orange County Landlord Association said that he owns one building here in the City of Newburgh and to be honest the City might end up taking it because he doesn't have the money to maintain it. He has a clean building but he can't manage to carry it any more. He is on Social Security Disability and his funds are minimal so he needs some help with getting the evictions to move faster. He has one going on now and the best they can do is October 13th so where does he come up with the money to pay his taxes and bills in the meantime? Something has to be done to help the landlords out.

Barbara Smith, City of Newburgh, said that she is a little insulted to hear that within the City of Newburgh we do not have someone qualified to be our City Marshall. How long has this been going on because she has not heard it mentioned at any earlier meetings that we are short a person. What has been done to get that position filled? She is certain that if they are advertising properly then they will get enough qualified people to answer for that position. We shouldn't have to go somewhere else to find someone when there are so many people in need right here in the City of Newburgh.

Acting City Manager, Richard Herbek, explained that the appointment of the City Marshall is not made by the City Council or the City Manger. It is made by the City Judges in our Judicial System.

Mayor Valentine noted that they have tried repeatedly to tell the Judges that we need a City Marshall which is why they are taking this action of trying to expand on it because they have tried to get someone from the City of Newburgh and they have not been successful. The actual advertising or marketing does not come from the City Council; it comes from the Court system. We can change the Local Law to say that if they can't find someone in the City of Newburgh then they can find someone nearby.

Larry Perlitz, former Detective with the City of Newburgh Police Department and former resident of the City of Newburgh, said that he is now a resident in the Town of Newburgh. Until recently, he was temporarily appointed to the position of

City Marshall until the question of residency issues came up. He has twenty five plus years experience and he would be more than happy, if this could somehow be resolved, to fill that position should it be offered to him again.

Denise Ribble, said that the Court has to follow a Civil Service process to fill this position.

Mayor Valentine said no, it does not.

Denise Ribble then mentioned fair labor laws and said that she finds it very hard to believe that the City is not able to put forward any individuals who have the qualifications to do the job. The City is talking about laying off Police Officers and Code Enforcement Offices. They already laid off Code Enforcement Officers last year, many of whom were City of Newburgh residents. If these people were qualified for those positions, then they are probably qualified to be a City Marshall and they should be considered with first priority for this position over someone who does not live here. She asked how many city residents work for the City of Newburgh and in what positions.

Mayor Valentine noted that no one is saying that someone from the City of Newburgh can not apply. They are saying that there has been a void and no one from the City has applied. A City of Newburgh resident will take precedence but if no one from the City applies then we should be able to fill the position with someone from outside the City. Right now we are strangled by the fact that it must be a City resident. If anyone knows someone in the City of Newburgh who wants to apply, get their name to the City Court because they are the people who make this decision not the City Council.

Councilwoman Bello said that she personally sent over three city residents to the Courthouse and they were told by the Court Clerk's Office that there isn't an application and they don't know anything about it. After going back and insisting they obtained applications and were told that they need a law enforcement background. She then sent over a fourth applicant who is also a City of Newburgh resident with a law enforcement background and they were then told that you can't have a law enforcement background. It is beyond belief but she thinks that people should contact the Court and ask them if they have a legitimate application. She knows that we have residents in this City that can fill that job.

Brenda McPhail, City of Newburgh, said that there are very few good landlords here in the City of Newburgh. She defines them as Slumlords because they talk about Social Services not paying their rent but why do you allow people to get two and three months behind? If they don't pay their rent on time, you can put them out by going through the court procedures. The former City Marshall, Mr. Boone, did his job because she saw him at Varick Homes plenty of times putting

furniture out on the street. The reason Social Services tells them to hold the rent is because if you look at some of these buildings there are mice running around and holes in the walls and nothing has been fixed.

Dan, 144 Washington Street, said that not too many places hurt any worse than Newburgh right now for employment and with this position if you want a paycheck from the City of Newburgh, even if it is from the Court, you have to live here. He doesn't think that we should be going backwards by eliminating that requirement. He suggested that people apply or take the test and if they get accepted then they should have six months to become a resident. If they don't, they lose the job. We want to keep this as a City resident and if someone wants the job that badly then they will move.

Michael Gabor, Grand Street, understands that the Council's hands are tied but it is interesting that we are just hearing about this. He thinks that they should have been made aware that this position was vacant months ago. Why are we just now finding out publicly? This is a communication failure.

There being no one else wishing to speak, this public hearing was closed.

Michelle Kelson, Corporation Counsel, clarified that the nature of the City Marshall position is very unique and very difficult to follow. This position was originally created by the City of Newburgh Court Act back in the 1940's and it is listed in the old City Charter. The City Marshall was an employee of the Court and appointed by the one City Court Judge that we had back in the 1940's, 50's, 60's and 70's. In the 1980's, the State unified the court systems and they left out an exception that said if you were a city that had a City Marshall prior to 1988 then you could retain that position. That is what we did because we had a City Marshall for all of those years and it was continuously filled so we retained that position to service whatever needs the City had in that regard. The City Marshall is not an employee of the City of Newburgh, the Unified Court System or the State and it is not a salaried position. The Marshall can only make the statutory fees for the services he or she provides in servicing the processes of the Court or executing a Court Order. They only make those fees. Not a penny more not a penny less. The appointment of the City Marshall is with the City Court Judge. It is not a competitive position and there is no Civil Service requirement. It is difficult to piece all of that together which she has done by looking at various statutes and Attorney General Opinions. With that being said, whether or not we can find a city resident to fill that position that is fine but the appointment is with the discretion of the Judges. She wanted everyone to be aware of how this works before the City Council continues to discuss the proposed Local Law.

COMMENTS FROM THE PUBLIC REGARDING AGENDA

Michael Gabor, Grand Street said that resolutions #191-11 and 192-11 puts us four million dollars more in the hole and where are we going to come up with the money to pay for this? Why are we borrowing money when we should be doing something more creative? We have a City Manager who has done nothing to increase our revenue base and this new Budget puts only \$700.00 towards public relations yet our benefits and pensions total 7.7 million dollars, if the 1% increase is correct, and most of that money goes to people who don't even live in the City. It is sort of insulting that we are not doing anything to increase the revenue and that nothing is being done to even try to market this City to get more revenue. \$700.00 for public relations in a city that needs more business and more revenue is insulting and to him it's bad management. Now we are looking at four million dollars of more debt that we can't afford.

Denise Ribble, City of Newburgh, submitted and read the attached comments.
(copy attached)

Barbara Smith, City of Newburgh said in regard to the bond resolutions that in 2007, 2008 and 2009 we talked about BANS and TANS and other things. She asked how much of this is going to be for DPW and the Water Department because she recalls hearing that our Water Fund was in good shape. If this is for maintenance on water towers or anything to do with water, why are we not using the money that is in the Water Fund?

Mayor Valentine noted that is why there are two Bonds and they will give an explanation of the breakdown.

Barbara Smith said that if there is a surplus within those two departments she would rather see her bill go down than use that money to pay back a Bond. This is not clear to her and she hopes that the Council is sensible enough not to lay off our policemen because we need them. If you are going to think in terms of cutting back

anywhere, cut back somewhere else. There is a lot in here with regard to water and if we have the money in the Water Fund then that should pay for it.

Kippy Boyle, Grand Street, also questioned the Bonds and in resolution #198-2011 she asked what is being amended in the 2011-2015 Section 3 Plan?

Mayor Valentine said that it is just a language clarification.

Michelle Kelson, Corporation Counsel, explained that in the definition they used the conjunctive *and* which meant that they would have to comply with all three elements and it should have been *or* which makes more businesses eligible.

Kippy Boyle continued that in regard to resolution #196-11 she is glad that the Burton Towers situation has been resolved but is concerned that discussion hadn't taken place earlier on to resolve this in a less volatile manner. It has been seven months since the February 4th letter that was sent by HUD to the Mayor and Acting City Manager outlining the series of events that were going to take place. She thinks that was a long time ago and it was never on the agenda until just within the last eight to twelve weeks so she wanted it to go on record that on February 4, 2011 the Council was made aware of this.

Gay Lee, City of Newburgh said that she would like this to read so that it is clearer to the public as to what happened because Councilwoman Bello acting as a private citizen filed a suit against the Housing Authority.

Mayor Valentine said to be very, very careful about comments because this is very sensitive and we are all working under a Judges ruling.

Gay Lee agreed that this is very sensitive but she is acting as a private citizen. She continued by saying that she understands the four City Council members joined in that suit and she wanted to point out that this is all on behalf of a private developer. She doesn't remember hearing or seeing anything in the newspaper where Mountco would be held to the rules of Section 3. If that hasn't been done she would like it to be done because there are people here in the City of Newburgh who need jobs and if we are going to have developers here she would like them to commit to hiring some of the people here because the unemployment in this small city is as high as it is in Orange County.

Judy Kennedy, 162 Grand Street said she is looking at the Bond resolutions and the place where we are going with this Budget. There was a tax cap on the Budget of 2% and there is a spirit here about keeping to that. There has to be a way where we have a win, win in this City. The burden of carrying the City cannot be on the taxpayer's backs and we have to find a way to not raise these taxes. If our businesses and homeowners can't afford to stay here in the long run, then nobody

wins. This tax base cannot be eroded any further. We cannot lose any more houses and we have to keep our Police Department. The negotiations have to be within the parameters of our current economic conditions so how do we all come together and solve this problem? We may not be able to afford new police cars, fire engines and a lot of things. We have already spent the money so it's a done deal. Now we are here in this current economic climate and we have to find a way to keep our police officers in force and to keep the tax increase at no more than the 2%.

Brenda McPhail, City of Newburgh, asked what the Section 3 Plan is. In the CDBG meeting there has been talk that the sidewalks need to be fixed and that we have a large unemployment rate here in the City of Newburgh. She lives in the Varick Homes and they are right now making Water Street beautiful with fresh blacktop but she doesn't see any City of Newburgh residents doing the work. She asked again what the Section 3 Plan is for the City of Newburgh.

There being no further comments this portion of the meeting was closed.

Regarding the Budget:

From the work session on 9/22/11 it appears that the allowable tax increase is 5.2% or \$19,445,191.00 as presented in the city managers tentative budget proposal. It is 5.2% instead of 2% because of the extraordinary high increase in pension and retirement costs. This means that the current Homestead rate will increase to 15.62 per 1000\$ assessed value and Non-Homestead rates will increase to 21.60. This is likely to result in further tax foreclosures where long term residents are forced from their homes and more businesses leaving the City.

Seven sergeants or detectives will be demoted to police officers, 8 officers will be laid off, 3 codes officers will be laid off and 2 FT parking folks will go to PT. In order to keep all 15 police positions, taxes will increase by an additional 8% for a total of 13.2%. This means that the current Homestead rate would increase to 17.00 per 1000\$ assessed value and Non-Homestead rates will increase to 23.52.

It was stated that 18% of the 2012 proposed budget will go to paying for debt service. Has the Council been presented with a plan and a cost benefit analysis of the reduction in debt service costs that could be achieved if the City was able to get more favorable repayment rates such as could be afforded by a MAC? Have any plans and analysis been presented to the Council to accompany the 2012 budget proposal?

The City Manager repeatedly estimates the cost of a Control Board at 800K to 1 million. The references used are Yonkers and Buffalo – two cities very different than Newburgh. How exactly were the cost figures for the Control Board calculated and where can the details of that calculation be obtained? Further there has been no discussion of the benefits a Control Board can provide. Instead there is information presented that is in direct contradiction to the 2009 presentation. Was the Council given inaccurate information by the consultants in 2009 or are they being given inaccurate information now?

In 2009, the audit firm of O'Connor, et al made a number of recommendations regarding internal controls such that there would not be material or significant deficiencies that might lead to mis-statement of the financial condition of the City. In the multiyear financial plan the city manager presented, it was projected that the city would end its fiscal year 2010 with an undesignated fund balance of \$14 million. The 2010 audit states that it was 6% and change. The citizens of Newburgh would like to know if the 2009 auditors' recommendations have been implemented. We would like the Council to determine who is accountable for that "error", who is accountable for directing that internal controls are in place and then take action.

That 2009 independent auditor's report also cited numerous examples of fiscal decision making that occurred completely without Council approval. Again, this year, there is evidence of this as an ongoing pattern of lax oversight, inaccurate or incomplete information provided to Council and fiscal decisions made without full information being presented.

In the multiyear financial plan that Rick Herbeck presented to the State, he predicted that the city will face ongoing tax hikes in order to balance the city's budget, due in large part to declining property valuations and rising employee benefit costs which you predicted would grow by 10% each year. The city manager has predicted shrinking revenues and growing expenses for the foreseeable future. Then in June of 2011, the city Manager contradicted his own report to the Comptroller, and asserted that somehow miraculously, the city has suddenly reversed course. What facts (give details please) have lead to this markedly different assessment when none of the city's fundamentals have really changed.

The Newburgh Fiscal Recovery Act requires that the city "identify actions necessary to achieve and maintain long term fiscal stability" – including creating a reserve fund for the city. Does this budget proposal include a reserve fund? No concrete strategy for generating revenue and growing the city's tax base has been presented to Council. Council members and Mr. Herbek can you tell the citizens of Newburgh what is the City's Fiscal revenue generating strategy? In the absence of Albany's assistance, how do you plan to balance the city's budget without future tax hikes or deeper service cuts to essential services? It seems to me that the City is only one large increase in heating oil costs, one big litigation, or one big infrastructure problem from catastrophe. And it is we the tax payers and residents who will suffer, not the people who contributed to this mess or the Council and Manager who declined to secure assistance and help for our beleaguered City.

RESOLUTION NO.: 188 - 2011

OF

SEPTEMBER 26, 2011

**RESOLUTION AUTHORIZING THE CITY MANAGER
TO ACCEPT A GRANT FROM FACTORY MUTUAL INSURANCE COMPANY IN
THE AMOUNT OF \$2,500.00 TO PROVIDE FUNDING FOR VARIOUS
EQUIPMENT NEEDS FOR THE CITY OF NEWBURGH
FIRE DEPARTMENT'S FIRE INVESTIGATION TEAM**

WHEREAS, the City of Newburgh Fire Department has applied for an FM Global fire prevention grant; and

WHEREAS, the Department has been notified that the Factory Mutual Insurance Company ("FM Global") will be funding Two Thousand Five Hundred (\$2,500.00) Dollars towards the purchase of various equipment needs for the City of Newburgh's Fire Investigation Team; and

WHEREAS, such grant is at no cost to the City of Newburgh; and

WHEREAS, this Council has determined that accepting such grant is 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 City Manager be and is hereby authorized to accept a grant from Factory Mutual Insurance Company in the amount of Two Thousand Five Hundred (\$2,500.00) Dollars to provide funding for various equipment needs for the City of Newburgh Fire Department's Fire Investigation Team.

Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.

Ayes - Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine - 5

ADOPTED

RESOLUTION NO.: 189 - 2011

OF

SEPTEMBER 26, 2011

**A RESOLUTION AUTHORIZING THE CITY MANAGER
TO APPLY FOR AND ACCEPT IF AWARDED A GRANT
UNDER THE UNITED STATES DEPARTMENT OF HOMELAND SECURITY
ASSISTANCE TO FIREFIGHTERS GRANT
IN THE AMOUNT OF \$750,000.00 FOR UTILIZATION
BY THE CITY OF NEWBURGH FIRE DEPARTMENT**

WHEREAS, the City of Newburgh Fire Department has expressed interest in applying for a grant under the United States Department of Homeland Security Assistance to Firefighters Grant in the amount of Seven Hundred Fifty (\$750,000.00) Dollars; and

WHEREAS, such grant funds, if awarded, shall be utilized for the purchase of personal protective equipment, self-contained breathing apparatus and a triple combination pumper; and

WHEREAS, such grant shall require a ten (10%) percent match by the City of Newburgh; and

WHEREAS, this Council has determined that making an application for such grant funds would be in the best interests of the City of Newburgh, and the safety of its firefighters and residents alike;

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 apply for and accept if awarded a grant under the United States Department of Homeland Security Assistance to Firefighters Grant in the amount of \$750,000.00 for utilization by the City of Newburgh Fire Department.

Councilwoman Bello said that this is a \$750,000.00 grant with a 10% match so if this is awarded and there is not enough money in the Fire Department Budget then we cannot accept it.

Acting City Manager, Richard Herbek said that this is just to apply. They are not signing anything tonight.

Mayor Valentine noted that it might not even come back at \$750,000.00 it could be for \$300,000.00 and it also depends on how the match is structured.

Councilwoman Bell noted that the match could also be for in-kind services it doesn't always have to be cash.

Mayor Valentine said that is also possible.

Councilman Dillard noted that based on our past performances we are very weak in terms of getting these grants. How much time does it take to work on this grant because last year we set aside some money for the Chief to work on them and we have not received any reports.

Acting City Manager, Richard Herbek said that the grants became more of a political issue at the Federal Level.

Councilman Dillard said that New Windsor got a grant.

Fire Chief, Michael Vatter said that it is true that the Vails Gate Fire Department did get a million dollar grant. There are several different kinds of Homeland Security grants for firefighters. Some are for equipment, fire prevention and personnel. They went after it for personnel. We went after it for personnel and we were denied. He said that he does not have a grant writer like some other agencies but we do our best and give it our best shot. He thinks we have a stronger application this time but there is not a lot of money. There are eighteen levels of funding for policing in the United States but only one or two for the fire service so it is highly competitive.

Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.

Ayes - Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine - 5

ADOPTED

RESOLUTION NO.: 190 - 2011

OF

SEPTEMBER 26, 2011

**A RESOLUTION AUTHORIZING THE CITY MANAGER
TO ACCEPT A RENEWAL OF THE ENFORCING UNDERAGE DRINKING LAWS
("EUDL") GRANT FROM THE NEW YORK STATE OFFICE OF ALCOHOLISM
AND SUBSTANCE ABUSE ADMINISTERED
THROUGH CATHOLIC CHARITIES IN THE AMOUNT OF \$9,500.00**

WHEREAS, this Council, by Resolution No.: 95-2010 of April 26, 2010, authorized the City Manager to accept certain Police Grants; and

WHEREAS, the Police Department has been notified that there are funds available under the Enforcing Underage Drinking Laws ("EUDL") Grant; and

WHEREAS, the Police Department wishes to renew said grant in the amount of Nine Thousand Five Hundred (\$9,500.00) Dollars; and

WHEREAS, such Police Grants are reimbursable grants which require the City to first expend monies to obtain reimbursement; and

WHEREAS, a copy of the invoice generated for reimbursement is attached hereto; and

WHEREAS, this Council has determined that authorizing the acceptance and renewal of said grant is in the best interests of the City of Newburgh and the safety of its citizens;

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 a renewal of the Enforcing Underage Drinking Laws ("EUDL") Grant from the New York State Office of Alcoholism and Substance Abuse administered through Catholic Charities in the amount of Nine Thousand Five Hundred (\$9,500.00) Dollars.

Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.

Ayes - Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine - 5

ADOPTED

RESOLUTION NO.: 191-2011

OF

SEPTEMBER 26, 2011

BOND RESOLUTION OF THE CITY OF NEWBURGH, NEW YORK, ADOPTED SEPTEMBER 26, 2011, AUTHORIZING VARIOUS PURPOSES IN AND FOR THE CITY, STATING THE ESTIMATED TOTAL COST THEREOF IS \$2,720,000, APPROPRIATING SAID AMOUNT THEREFOR, AND AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$2,720,000 BONDS OF SAID CITY TO FINANCE SAID APPROPRIATION.

THE CITY COUNCIL OF THE CITY OF NEWBURGH, IN THE COUNTY OF ORANGE, NEW YORK, HEREBY RESOLVES (by the favorable vote of not less than two-thirds of all the members of said City Council) **AS FOLLOWS:**

Section 1. The City of Newburgh, in the County of Orange, New York (herein called the "City"), is hereby authorized to construct, acquire or undertake the various projects as described in column A of Schedule I attached hereto and hereby made a part hereof, at the estimated maximum costs indicated in column B of such Schedule I. The estimated total cost of such projects, including preliminary costs and costs incidental thereto and to the financing thereof, is \$2,720,000 and said amount is hereby appropriated therefor. The plan of financing includes the issuance of not to exceed \$2,720,000 bonds of the City to finance said appropriation, and the levy and

collection of taxes on all the taxable real property in the City to pay the principal of said bonds and the interest thereon as the same shall become due and payable.

Section 2. Bonds of the City in the aggregate principal amount of not to exceed \$2,720,000 are hereby authorized to be issued in the principal amounts indicated in column C of Schedule I for each of the respective objects or purposes indicated in column A of such Schedule I, pursuant to the provisions of the Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of the State of New York (herein called "Law"), to finance the appropriation referred to herein.

Section 3. The respective periods of probable usefulness of the specific objects or purposes and classes of objects or purposes for which said bonds are authorized are to be issued, within the limitations of §11.00 a. of the Law as referenced in column E of the attached Schedule I, are set forth in column D of the attached Schedule I.

Section 4. The proceeds of the bonds herein authorized and any bond anticipation notes issued in anticipation of said bonds may be applied to reimburse the City for expenditures made after the effective date of this resolution for the purpose or purposes for which said bonds are authorized. The foregoing statement of intent with respect to reimbursement is made in conformity with Treasury Regulation Section 1.150-2 of the United States Treasury Department.

Section 5. Each of the bonds authorized by this resolution and any bond anticipation notes issued in anticipation of the sale of said bonds shall contain the recital

of validity as prescribed by Section 52.00 of the Law and said bonds and any notes issued in anticipation of said bonds shall be general obligations of the City, payable as to both principal and interest by general tax upon all the taxable real property within the City. The faith and credit of the City are hereby irrevocably pledged to the punctual payment of the principal of and interest on said bonds and any notes issued in anticipation of the sale of said bonds and provision shall be made annually in the budget of the City by appropriation for (a) the amortization and redemption of the bonds and any notes in anticipation thereof to mature in such year and (b) the payment of interest to be due and payable in such year.

Section 6. Subject to the provisions of this resolution and of the Law and pursuant to the provisions of Section 21.00 relative to the authorization of the issuance of bonds with substantially level or declining annual debt service, Section 30.00 relative to the authorization of the issuance of bond anticipation notes and Section 50.00 and Sections 56.00 to 60.00 and 168.00 of the Law, the powers and duties of the City Council relative to authorizing bond anticipation notes and prescribing the terms, form and contents and as to the sale and issuance of the bonds herein authorized and of any bond anticipation notes issued in anticipation of said bonds, and the renewals of said bond anticipation notes, and relative to executing agreements for credit enhancement, are hereby delegated to the Comptroller/Director of Finance, the chief fiscal officer of the City.

Section 7. Pursuant to the provisions of section 16 of Chapter 223 of the New York Laws of 2010, the City is authorized to include in this resolution the following pledge and agreement of the State of New York (herein called the "State") contained in said Section 16:

“The state does hereby pledge to and agree with the holders of any bonds, notes or other obligations issued by the city during the effective period of this act and secured by such a pledge that the state will not limit, alter or impair the rights hereby vested in the city to fulfill the terms of any agreements made with such holders pursuant to this act, or in any way impair the rights and remedies of such holders or the security for such bonds, notes or other obligations until such bonds, notes or other obligations together with the interest thereon and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully paid and discharged.”

Section 8. The validity of the bonds authorized by this resolution, and of any notes issued in anticipation of the sale of said bonds, may be contested only if:

- (a) such obligations are authorized for an object or purpose for which the City is not authorized to expend money, or
- (b) the provisions of law which should be complied with at the date of the publication of such resolution are not substantially complied with,

and an action, suit or proceeding contesting such validity is commenced within twenty days after the date of such publication, or

- (c) such obligations are authorized in violation of the provisions of the constitution.

Section 9. This Bond Resolution shall take effect immediately, and the City Clerk is hereby authorized and directed to publish the foregoing resolution, in full, together with a Notice attached in substantially the form prescribed by §81.00 of the Law in "*The Sentinel*," "*The Mid Hudson Times*," and "*The Hudson Valley Press*," three newspapers each having a general circulation in the City and hereby designated the official newspapers of said City for such publication.

Cheryl Gross, City Comptroller, explained that this is for our Enterprise Fund for the water tank reconstruction that is needed, a monitoring system of our water system and a garbage truck. They are in next years Budget with a schedule for no increase in the fees. The Water Fund only has an \$800,000.00 fund balance so it cannot fund this full construction. We are using part of the fund balance in the Budget for next year so that there will be no increase in the fees.

Mayor Valentine asked if this will be an interest payment.

Cheryl Gross, Comptroller, said that next year will be an interest payment only because we will BAN first which is with cheaper interest.

Councilwoman Bell said that this is for three water tanks and since we are in a serious financial crunch wouldn't it be better to just do one instead of all three at the same time? She asked what the interest rate is that we are going to get these bonds at.

Cheryl Gross, Comptroller, said that for the BANs we just did in August one came in at 4.5% and the other at 3.71%.

Acting City Manager, Richard Herbek said that the three water tanks are in very bad condition and the City is at some risk. If we have a failure on any one of these tanks, it could put the entire City in a situation where we can't supply water to the delivery system so it is very critical.

Councilwoman Bello noted that we have also received several reports to confirm that.

Cheryl Gross, Comptroller, said that we are applying for funding and we should hear from that before this goes out. One of the reasons we are doing this now is because in November when we go to renew the other BAN this can be include in our cost of fees which can run anywhere from \$100,000.00 to \$150,000.00.

Mayor Valentine said that authorizing this Bond does not mean that we have to spend all of this money. It only gives the authorization at a time when spending is necessary depending on grants and interest free loans.

Craig Marti, City Engineer, said that we have been awarded a \$500,000.00 grant through Senator Larkin's Office that was originally slated for a sewer project but since the Sewer Fund is in a better position we have transferred that money to the water project. There are also programs through the Environmental Facilities Corp. which may be helpful in reducing the interest payment from zero to market rate which would be sold at EFC's bond rating which is a AAA type of rating as opposed to the City's rating. So we are looking at our options to lower the interest rate but in order to move forward with the project we have to have authorization to borrow the money and commit city funds to the project in order for the other agencies to evaluate our position.

Councilwoman Bell asked if there are adequate controls in place once the money is borrowed to make sure it goes where it is supposed to. We all received a letter from the Audit stating that we still have not done what they thought was adequate or necessary

Cheryl Gross, Comptroller, said that they want the Council to respond with if the Council has set any policies in place for what they think are problems with different aspects of the accounting from 2009. She added that there aren't policies in place and she is working on getting a copy from another municipality so that she can format it for the City's use and bring it to the Council in one booklet so that they can review it and approve it. That way there will be set policies in place and they will have their answers to them.

Councilman Dillard said that he is concerned because we are in the middle of a Budget process and he suggested they hold off on #191-2011 and #192-2011 until after the Budget and we see where we are at because he does not want to waste any more of the taxpayers money.

Acting City Manager, Richard Herbek said that they will not be wasting any of the taxpayer's money. Actually you will probably be saving the taxpayers money so we can take advantage of the November Bond Anticipation Note process. The water tanks in particular are really critical.

Councilman Dillard said that we knew about the water tanks at the beginning of the year and he thought that we were going to do something at that time.

Acting City Manager, Richard Herbek said that things are moving and it is a process that you go through. This is to put the financing in place and there are still additional steps that need to take place.

Councilman Dillard suggested that the Council be provided with a report that includes dollars and cents as well as a time frame.

Acting City Manager, Richard Herbek, said that the time frame is right now. A process like this is fairly lengthy when you are talking about major capital work. The preliminary engineering work has already been completed so the next major step is the development of plans and specifications for public bidding but we can't do that until the funding is in place. This puts the funding in place.

Cheryl Gross, City Comptroller, said that when they spoke about these two weeks ago they were in one resolution. She had them split out because the Enterprise Fund is self sufficient in standing but the General Fund would affect the taxpayer's tax base. The Council received reports in March or April noting that all three water tanks needed to be repaired and reconstructed. Resolution #191-2011 will correct that issue and get us one sanitation truck. This one only looks at the Enterprise Fund which will not raise fees. It has nothing to do with the General Fund. We are maintaining the fees for water, sewer and sanitation so there will be no increase next year in those fees. You can take this one that you know is covered and we can move forward in correcting these issues. If the water plant goes down and we have an issue with one of the water tanks we will not have sufficient water for our residents.

Acting City Manager, Richard Herbek, noted that both of these Bond resolutions require a two thirds majority of the Council so we need four votes to approve them or they will not be approved.

Councilwoman Bell said that she is trying to understand why these matters weren't addressed earlier. Why wait until they are ready to fall down to the ground? We have a Water Supervisor who is supposed to be on top of these things.

Acting City Manager, Richard Herbek said that we can't go back.

Mayor Valentine said that the report informing us about the condition of the water tanks was given to us back in March. Staff has been working since then to get to where we are here to do the Bond resolution to get the work done. You don't want to do this out of pocket; you want to do it over a longer period of time because it is a capital expenditure.

Cheryl Gross, City Comptroller noted that she could not bring it to the Council earlier because it was not included in the Budget for this year.

Acting City Manager, Richard Herbek, told Councilwoman Bell that she is right because they should have been told four to five years ago about these water tanks but he was not here then. As soon as they found out, they let the Council know at a Work Session back around March.

Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.

Ayes - Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Mayor Valentine - 4

Nays - Councilman Dillard - 1

ADOPTED

RESOLUTION NO.: 192 - 2011

OF

SEPTEMBER 26, 2011

BOND RESOLUTION OF THE CITY OF NEWBURGH, NEW YORK, ADOPTED SEPTEMBER 26, 2011, AUTHORIZING VARIOUS PURPOSES IN AND FOR THE CITY, STATING THE ESTIMATED TOTAL COST THEREOF IS \$1,340,000, APPROPRIATING SAID AMOUNT THEREFOR, AND AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$1,340,000 BONDS OF SAID CITY TO FINANCE SAID APPROPRIATION.

THE CITY COUNCIL OF THE CITY OF NEWBURGH, IN THE COUNTY OF ORANGE, NEW YORK, HEREBY RESOLVES (by the favorable vote of not less than two-thirds of all the members of said City Council) AS FOLLOWS:

Section 1. The City of Newburgh, in the County of Orange, New York (herein called the "City"), is hereby authorized to construct, acquire or undertake the various projects as described in column A of Schedule I attached hereto and hereby made a part hereof, at the estimated maximum costs indicated in column B of such Schedule I. The estimated total cost of such projects, including preliminary costs and costs incidental thereto and to the financing thereof, is \$1,340,000 and said amount is hereby appropriated therefor. The plan of financing includes the issuance of not to exceed \$1,340,000 bonds of the City to finance said appropriation, and the levy and collection of taxes on all the taxable real property in the City to pay the principal of said bonds and the interest thereon as the same shall become due and payable.

Section 2. Bonds of the City in the aggregate principal amount of not to exceed \$1,340,000 are hereby authorized to be issued in the principal amounts indicated in column C of Schedule I for each of the respective objects or purposes indicated in column A of such Schedule I, pursuant to the provisions of the Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of the State of New York (herein called "Law"), to finance the appropriation referred to herein.

Section 3. The respective periods of probable usefulness of the specific objects or purposes and classes of objects or purposes for which said bonds are

authorized are to be issued, within the limitations of §11.00 a. of the Law as referenced in column E of the attached Schedule I, are set forth in column D of the attached Schedule I.

Section 4. The proceeds of the bonds herein authorized and any bond anticipation notes issued in anticipation of said bonds may be applied to reimburse the City for expenditures made after the effective date of this resolution for the purpose or purposes for which said bonds are authorized. The foregoing statement of intent with respect to reimbursement is made in conformity with Treasury Regulation Section 1.150-2 of the United States Treasury Department.

Section 5. Each of the bonds authorized by this resolution and any bond anticipation notes issued in anticipation of the sale of said bonds shall contain the recital of validity as prescribed by Section 52.00 of the Law and said bonds and any notes issued in anticipation of said bonds shall be general obligations of the City, payable as to both principal and interest by general tax upon all the taxable real property within the City. The faith and credit of the City are hereby irrevocably pledged to the punctual payment of the principal of and interest on said bonds and any notes issued in anticipation of the sale of said bonds and provision shall be made annually in the budget of the City by appropriation for (a) the amortization and redemption of the bonds and any notes in anticipation thereof to mature in such year and (b) the payment of interest to be due and payable in such year.

Section 6. Subject to the provisions of this resolution and of the Law and pursuant to the provisions of Section 21.00 relative to the authorization of the issuance of bonds with substantially level or declining annual debt service, Section 30.00 relative to the authorization of the issuance of bond anticipation notes and Section 50.00 and Sections 56.00 to 60.00 and 168.00 of the Law, the powers and duties of the City Council relative to authorizing bond anticipation notes and prescribing the terms, form and contents and as to the sale and issuance of the bonds herein authorized and of any bond anticipation notes issued in anticipation of said bonds, and the renewals of said bond anticipation notes, and relative to executing agreements for credit enhancement, are hereby delegated to the Comptroller/Director of Finance, the chief fiscal officer of the City.

Section 7. Pursuant to the provisions of section 16 of Chapter 223 of the New York Laws of 2010, the City is authorized to include in this resolution the following pledge and agreement of the State of New York (herein called the "State") contained in said Section 16:

“The state does hereby pledge to and agree with the holders of any bonds, notes or other obligations issued by the city during the effective period of this act and secured by such a pledge that the state will not limit, alter or impair the rights hereby vested in the city to fulfill the terms of any agreements made with such holders pursuant to this act, or in any way impair the rights and remedies of such holders or the security for such bonds, notes or other obligations until such bonds, notes or other

obligations together with the interest thereon and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully paid and discharged.”

Section 8. The validity of the bonds authorized by this resolution, and of any notes issued in anticipation of the sale of said bonds, may be contested only if:

- (a) such obligations are authorized for an object or purpose for which the City is not authorized to expend money, or
- (b) the provisions of law which should be complied with at the date of the publication of such resolution are not substantially complied with,

and an action, suit or proceeding contesting such validity is commenced within twenty days after the date of such publication, or

- (c) such obligations are authorized in violation of the provisions of the constitution.

Section 9. This Bond Resolution shall take effect immediately, and the City Clerk is hereby authorized and directed to publish the foregoing resolution, in full, together with a Notice attached in substantially the form prescribed by §81.00 of the Law in “*The Sentinel*,” “*The Mid Hudson Times*,” and “*The Hudson Valley Press*,” three newspapers each having a general circulation in the City and hereby designated the official newspapers of said City for such publication.

Mayor Valentine noted that these are items from the General Fund. If all of these were passed, the Budget item for next year with the interest payment for this one is how much?

Cheryl Gross, City Comptroller said it will be \$105,000.00.

Mayor Valentine said that is already in the Tentative Budget for next year.

Cheryl Gross, City Comptroller, said that the Scott Packs and Fire Gear are needed to meet OSHA regulations that we are coming close to not meeting. The communication radios are for the Fire Department and DPW. As of January 1, 2013, we will be out of regulation with the FCC. There are very stiff fines of up to \$10,000.00 per day and they will shut down the Fire Dept. and DPW. George Garrison, DPW Superintendent said that some of trucks that need to be replaced are from 1994 and 1996. Some of the newest trucks that they have are from 2006. These are used when it snows to get down some of the smaller streets and parking lots. As for the bigger plow trucks, one is from 1986 and another is from 1997. He added that the Council needs to look at past Budgets that were submitted to the City Manager where he requested these trucks and they have been taken out for years so this is why we are where we are now.

Fire Chief, Michael Vatter, said that there is no value in rehabilitating the fire truck because by the time you get that done it would be ready for the scrap heap. As George Garrison just said, we are asking for these things as he is sure his predecessors have done before him, and then they were taken out of the Budget for various reasons. There are tons of things that need to be replaced but we have to pick and choose.

Acting City Manager, Richard Herbek said in regard to the parking meters that they are talking about and moving in the direction of putting in the pay and display meters throughout the City. They cost about \$15,000.00 to \$20,000.00 a piece so at that cost we will be able to fund five of them.

Cheryl Gross, City Comptroller said in regard to the hardware security backup system that we currently have one but if that was to fail there is not what they call a secondary and we would still lose our information. In regard to the three patrol cars, the plan is to start to update the police units. \$30,000.00 is to start replacing some of our older computers and the fingerprint scanner was requested by the Police Department for identification.

Michael Ferrara, Police Chief noted that their present program operates on Windows 2000 which is over ten years old and it needs to be replaced and the newer program would provide faster feedback. The three cars are part of a five year capital improvement program. We decided that three cars would be better than waiting for all of our cars to get old at the same time.

Councilwoman Angelo said that she knows there are a couple of patrol cars at Public Works and she asked if they can be repaired.

Michael Ferrara, Police Chief said that one of them most likely won't be repaired.

Michelle Kelson, Corporation Counsel said that those cars will be totaled and we will be settling with the insurance company this week.

George Garrison, DPW, said that when this is settled, the money that we get should go back into replacing those cars. Not into the General Fund or wherever else is goes. It needs to go back into replacing those vehicles.

Councilwoman Bell said that one of the questions she had was about the computers. Why aren't we leasing instead of purchasing computers because it doesn't make sense to purchase that kind of stuff. The former resolution will not have an increase in taxes but this one will. We have no more. She is very, very upset that people can say that we don't need help here. How can we not need help when this is going to strap our tax base even further?

Cheryl Gross, City Comptroller said to answer part of Councilwoman Bell's question, under our Fiscal Recovery Act we aren't allowed to lease. It has to be a purchase.

Councilwoman Bell said that we could lease them and then give them back so we won't be stuck with outdated equipment.

Cheryl Gross, City Comptroller said that the computer companies don't want them back because they are then obsolete and what are they going to do with them?

Acting City Manager, Richard Herbek, said as noted earlier they can eliminate one or more items and for this to pass it requires four votes.

Councilwoman Bello suggested that they do the Budget and make sure that they save the police officers jobs before they look at this.

Councilman Dillard said that as he stated earlier they should wait until they do the Budget and then move forward.

Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.

Ayes - Mayor Valentine - 1

Nays - Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard - 4

DEFEATED

RESOLUTION NO.: 193 - 2011

OF

SEPTEMBER 26, 2011

**A RESOLUTION AUTHORIZING THE EXECUTION OF A RELEASE OF
RESTRICTIVE COVENANTS AND RIGHT OF RE-ENTRY
FROM A DEED ISSUED TO STEVE I. SMITH
TO THE PREMISES KNOWN AS 98 CARTER STREET
(SECTION 22, BLOCK 1, LOT 38)**

WHEREAS, on February 4, 2010, the City of Newburgh conveyed property located at 98 Carter Street, being more accurately described on the official Tax Map of the City of Newburgh as Section 22, Block 1, Lot 38, to Steve I. Smith; and

WHEREAS, Mr. Smith 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 recommends 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.

Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.

Ayes - Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine - 5

ADOPTED

RESOLUTION NO.: 194 - 2011

OF

SEPTEMBER 26, 2011

**RESOLUTION AMENDING RESOLUTION NO: 264-2010,
THE AMENDED 2011 BUDGET FOR THE CITY OF NEWBURGH, NEW YORK TO
TRANSFER \$10,000.00 FROM PONDS AND RESERVOIRS, OTHER SERVICES TO
ENGINEERING DEPARTMENT, CONSULTANT
FOR THE BROWN'S POND RAW WATER TRANSMISSION SYSTEM PROJECT**

BE IT RESOLVED, by the Council of the City of Newburgh, New York, that Resolution No: 264-2010, the 2011 Amended Budget of the City of Newburgh, is hereby amended as follows:

		<u>Decrease</u>	<u>Increase</u>
Ponds and Reservoirs			
Other Services	F.8320.0448	\$10,000.00	
Engineering			
Consultant	A.1440.0455		\$10,000.00

Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.

Ayes - Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine - 5

ADOPTED

RESOLUTION NO.: 195 - 2011

OF

SEPTEMBER 26, 2011

**A RESOLUTION AUTHORIZING THE CITY MANAGER
TO EXECUTE A LETTER AGREEMENT WITH BARTON & LOGUIDICE, P.C. FOR
PROFESSIONAL ENGINEERING SERVICES IN CONNECTION WITH THE
STARTUP OF THE BROWNS POND RAW WATER TRANSMISSION SYSTEM
AND THE CLOSE-OUT OF THE CONSTRUCTION CONTRACTS FOR THE
PROJECT
AT A COST NOT TO EXCEED \$9,900.00**

WHEREAS, this Council, by Resolution No. 189-2010 of August 9, 2010 authorized the City Manager to execute a letter agreement with Barton & Loguidice, P.C. for professional engineering services in connection with the Brown's Pond Raw Water Transmission System evaluation; and

WHEREAS, it has become necessary to implement the next phase of the project by entering into a letter agreement with Barton & Loguidice, P.C. to assist with the startup of the Brown's Pond Raw Water Transmission System and close-out the City's construction contracts for the project; and

WHEREAS, the appropriate City departments have reviewed the proposal from Barton & Loguidice, P.C. to perform such engineering services at a cost not to exceed \$9,900.00; and

WHEREAS, funding for such project shall be derived from the Engineering Department's Consultant line, A.1440.0455; and

WHEREAS, this Council has reviewed the same and has determined that entering into the letter agreement is in the best interests of the City of Newburgh and its further development;

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 a letter agreement with Barton & Loguidice, P.C. for professional engineering services in connection with the startup of the Browns Pond Raw Water Transmission System and the close-out of the construction contracts for the project at a cost not to exceed \$9,900.00.

Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.

Ayes - Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine - 5

ADOPTED

RESOLUTION NO.: 196 - 2011

OF

SEPTEMBER 26, 2011

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWBURGH
TO RATIFY A SETTLEMENT CONCERNING LITIGATION COMMENCED BY
CHRISTINE BELLO, IN HER INDIVIDUAL CAPACITY, AGAINST
THE NEWBURGH HOUSING AUTHORITY CONCERNING THE NEW YORK
STATE OPEN MEETINGS LAW AND BURTON TOWERS**

WHEREAS, by Order to Show Cause, dated August 30, 2011, Christine Bello, in her individual capacity as a resident of the City of Newburgh and taxpayer, commenced an action under Orange County Index No. 2011/8443, against the Newburgh Housing Authority seeking to declare certain meetings held by the Newburgh Housing Authority in violation of the New York State Open Meetings Law and annulling the resolutions adopted at said meetings;

WHEREAS, by Supplemental Summons, dated September 1, 2011, the City of Newburgh was named as a nominal defendant in said litigation; and

WHEREAS, by Resolution No. 177-2011 of September 8, 2011, the City Council of the City of Newburgh authorized the City to join the litigation as a party plaintiff and the Corporation Counsel to represent the City's interests in the matter; and

WHEREAS, all the parties to the litigation reached a resolution of the litigation which was read into the record of the Court proceedings on September 16, 2011 as a Stipulation of Settlement; and

WHEREAS, an Amendment to the Stipulation of Settlement was agreed to by the parties on September 20, 2011; and

WHEREAS, the City Council of the City of Newburgh determines that it is in the best interests of the City of Newburgh to ratify the Stipulation of Settlement and the Amendment thereto;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York, that the City Council for the City of Newburgh, hereby rescinds Resolution No. 177-2011 of September 8, 2011; authorizes the Corporation Counsel to withdraw the City's application to join the litigation as a party plaintiff; and ratifies the Stipulation of Settlement placed into the Court record on September 16, 2011 and the Amendment to the Stipulation agreed to on September 20, 2011.

Councilman Dillard asked if the City put out any money for this.

Michelle Kelson, Corporation Counsel responded that there were no expenditures or funds other than her paid salary.

Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.

Ayes - Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine - 5

ADOPTED

RESOLUTION NO.: 197 - 2011

OF

SEPTEMBER 26, 2011

**A RESOLUTION TO AUTHORIZE A SETTLEMENT IN THE MATTER OF
BENJAMIN FAHEY AND JESSE CARLSON AGAINST THE CITY OF NEWBURGH,
ERIC PAOLILLI, Lt. PETER LEACH, P.O. JOSEPH ROSE AND
P.O. MICHAEL SOLDANO IN THE AMOUNT OF
ONE HUNDRED NINETY-FIVE THOUSAND DOLLARS**

WHEREAS, Benjamin Fahey and Jesse Carlson brought an action against the City of Newburgh, Lt. Peter Leach, P.O. Joseph Rose and P.O. Michael Soldano; and

WHEREAS, the parties have reached an agreement for the payment of the settlement in the amount of One Hundred Ninety-Five Thousand (\$195,000.00) Dollars in exchange for a release to resolve all claims among them; and

WHEREAS, this Council has determined it to be in the best interests of the City of Newburgh to settle the matter for the amount agreed to by the parties;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York, that the City's attorneys are hereby authorized to settle the claim of Benjamin Fahey and Jesse Carlson against the City of Newburgh, Lt. Peter Leach, P.O. Joseph Rose and P.O. Michael Soldano in the total amount of One Hundred Ninety-Five Thousand (\$195,000.00) Dollars and that City Manager be and he hereby is authorized to execute documents as the City's attorney may require, to effectuate the settlement as herein described.

Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.

Ayes - Councilwoman Angelo, Councilwoman Bello, Mayor Valentine - 3

Nays - Councilwoman Bell, Councilman Dillard - 2

ADOPTED

RESOLUTION NO.: 198-2011

OF

SEPTEMBER 26, 2011

**A RESOLUTION AMENDING THE 2011-2015 SECTION 3
PLAN FOR THE CITY OF NEWBURGH, NEW YORK**

WHEREAS, the Council, by Resolution NO.: 57-2011 of March 14, 2011, adopted the 2011-2015 Section 3 Plan for the City of Newburgh, New York; and

WHEREAS, the City of Newburgh ("City") is committed to helping the residents of the City achieve their goals of self-sufficiency by providing opportunities for employment. The City provides opportunities on its construction, demolition, and rehabilitation projects by requiring its contractors, in accordance with this City of Newburgh Section 3 Plan ("Section 3 Plan") to hire qualified City residents to facilitate economic opportunity for such residents;

WHEREAS, the adopted 2011-2015 Section 3 Plan for the City of Newburgh contained a definition of "Section 3 Business" which was more restrictive than that required by Section 3 of Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Section 3) and 24 CFR 135.1 et seq.; and

WHEREAS, it has become necessary and appropriate to amend the existing Section 3 Plan adopted by Resolution No.: 57-2011 of March 14, 2011, specifically Section II, Section 3 Business, in order to allow more City of Newburgh businesses to qualify as Section 3 businesses; and

WHEREAS, this Council has reviewed the amended Section 3 Plan attached hereto and has determined that adopting the same would be in the best interests of the City of Newburgh and its future development;

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Newburgh, New York hereby adopts the amended 2011-2015 Section 3 Plan attached hereto and made a part of this Resolution; and further confirms that the City Manager is authorized to take all reasonable and necessary action to implement and administer said 2011-2015 Section 3 Plan.

Councilman Dillard said that in the second paragraph of the resolution, the last line states to hire qualified City residents. He is not comfortable with the word "qualified" because that is a trick clause. If we vote on this in terms of this language,

we will be defeating the purpose of Section 3. He would rather have it read "hire and train low skilled City residents" instead of "qualified" because we know that there are not that many qualified low income residents here in the City of Newburgh.

Councilwoman Bell said that is why we just instituted our hiring and training Newburgh builds Newburgh Program. We pushed real hard to get some real legitimate job training here. She doesn't think that we can throw out the idea of having people who are qualified. You can't deny someone the ability to hire a qualified applicant.

Councilman Dillard said that we were not allowed to work on the Route 9W Project because they were looking for qualified Union workers. Under the Equal Employment Act, minorities and women should have an opportunity get some of these jobs. The City of Newburgh has been doing this for years and now things are changing here.

Councilwoman Angelo suggested that they use the word "skilled".

Councilman Dillard said it's the same thing. He is concerned that low income residents will not be able to participate in this because it states "a qualified City resident".

Acting City Manager, Richard Herbek said that the plan has already been approved.

Michelle Kelson, Corporation Counsel said that the Council has already adopted the Plan. All this amendment does is change a couple of *ands* to *or* so that more businesses will be eligible to participate. If you don't want to allow more businesses to participate, that is your call.

Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.

Ayes - Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine - 5

ADOPTED

City of Newburgh New York



2011 - 2015

Section 3 Plan

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- VI. CONTRACTOR SECTION 3 REPORTS

Exhibits

24 CFR Part 135

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Form B, Certification for Business Concerns Seeking Section 3 Preference

Form B (a) Business Employee List

Form C, Section 3 Business Contractor Economic Opportunities Plan

Form D, Section 3 Report

Form D (a) Section 3 Business Contractor or Subcontractor Payroll Report

I. SECTION 3 OVERVIEW

The City of Newburgh ("City") is committed to helping the residents of the City achieve their goals of self-sufficiency by providing opportunities for employment. The City provides opportunities on its construction, demolition, and rehabilitation projects by requiring its contractors, in accordance with this City of Newburgh Section 3 Plan including Forms attached hereto ("Section 3 Plan") to hire qualified City residents to facilitate economic opportunity for such residents.

The purpose of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (section 3) and 24 CFR 135.1 et seq. is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be directed to City residents with not more than eighty (80%) percent of individual or family median income in the City, being the Service Area for applicable HUD funding, under 24 CFR 135.34(a)(2)(i) ("Section 3 Residents"), and to business concerns which provide economic opportunities for Section 3 Residents.

All contractors approved by the City for wholly or partially HUD-funded projects exceeding \$200,000 in cost must adhere to the Economic Opportunities guidelines of this Section 3 Plan. The Section 3 regulations require that recipients of certain HUD financial assistance, to the greatest extent possible, provide employment and contract opportunities for Section 3 Residents in connection with projects and activities in the City.

The Section 3 regulations recognize that HUD funding typically results in projects/activities that generate new employment and contracting opportunities. The economic opportunities requirements of Section 3 apply to recipients of HUD Community Development and Block Grant Funding for projects exceeding \$200,000. The requirements of Section 3 only apply to those projects involving housing construction, rehabilitation, demolition, or other public construction.

CONTRACT SIZE:

If the estimated value of the project is \$0-200,000, including both HUD and non-HUD funding, Section 3 requirements do not apply.

Projects exceeding \$200,000, including both HUD and non-HUD funding, and all contracts therein must complete all requirements of this Section 3 Plan.

The general guidelines are as follows:

- 1) 30% of the aggregate number of New Hires for the Section 3 Covered Project shall be Section 3 Residents; and
- 2) 10% of the aggregate dollar amount of all covered contracts and subcontracts for the Section 3 Covered Project shall be awarded to businesses which are owned by at least 51% Section 3 Residents and whose permanent, full-time employees include persons at

least 30 percent of whom are currently Section 3 Residents or within three years of the first employment with the firm were Section 3 Residents ("Section 3 Businesses")

II. KEY TERMS

New Hire: A new hire is a full-time employee for a new permanent, temporary, or seasonal position that is created during the expenditure of Section 3 covered financial assistance.

Section 3 Business: A contractor or a subcontractor for a Section 3 Covered Project which is owned by at least 51% Section 3 Residents or whose permanent, full-time employees include persons at least 30 percent of whom are currently Section 3 Residents or has committed 25% of the dollar amount of its subcontracts to Section 3 Businesses or within three years of the first employment with the firm were Section 3 Residents.

Section 3 Resident:

1. Resident of Public Housing in the City; or
2. Individual that resides in the City and whose family income for the previous calendar year did not exceed eighty (80%) percent of the median income for individuals and families in the City, as set forth in the most recent decennial Census, with adjustments for smaller and larger families, as may be updated annually by the U.S. Census Bureau, American Community Survey.
See Form A for most recent median income calculations for Newburgh.

Section 3 Covered Projects: A Section 3 Covered Project means a project exceeding \$200,000 in aggregate cost involving the construction or rehabilitation of housing, other public construction, or demolition using all or some HUD funding..

III. SECTION 3 CLAUSE

The Section 3 Clause specifies the requirements for contractors hired for Section 3 Covered Projects. It must be included in all Section 3 Covered Contracts. All Section 3 Covered Contracts shall include the following language (referred to collectively as the "Section 3 Clause"):

A. The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C.1701u (Section 3), 24 CFR 135.1 et seq., and the 2011 - 2015 Section 3 Plan ("Section 3 Plan). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons residing in the City of Newburgh known as Section 3 Residents, with preference given to Category 1 under 24 CFR 135.34(a)(2)(i);

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3, together with the Section 3 Plan. As evidenced by their execution of this Contract, the Contractor certifies that it is under no contractual or other impediment that would prevent it from complying with the Part 135 regulations and the attached Section 3 Plan;

C. The Contractor agrees to post copies of the Section 3 Plan together with a notice of new hiring under this Contract in conspicuous places at the work site where both current employees and applicants for employment positions can see the notice as well as in locations within the City of Newburgh that provide employment and training opportunities, which list of locations shall be identified by the Department of Planning and Development. The Department of Planning and Development may require that certain notices be posted in both English and Spanish. The notice shall describe the Section 3 preference, shall set forth minimum number of job titles subject to hire including apprenticeship and training positions, the qualifications for each, the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin;

D. The Contractor agrees to include this Section 3 Clause and the Section 3 Plan in every subcontract to this Contract, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 Clause, upon a finding that the subcontractor is in violation of the attached Section 3 Plan. The Contractor shall not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of and/or does not intend to comply with the regulations in 24 CFR Part 135 and the attached Section 3 Plan;

E. The Contractor shall certify that any vacant employment positions including apprenticeship and training positions, that are filled (1) after the Contractor is selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 and the attached Section 3 Plan require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under such regulations and the Section 3 Plan; and

F. Noncompliance with HUD's regulations in 24 CFR part 135 and/or the Section 3 Plan may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.

IV. CITY OF NEWBURGH ROLE & RESPONSIBILITIES

The City of Newburgh Planning & Development Department ("Department") has a role and responsibility in ensuring these courses of action are successfully pursued. The Department will work to monitor all activity under this Section 3 Plan and coordinate the Section 3 efforts of the City.

The Director of the Department or such Director's designee shall undertake the following tasks in coordination with other City departments, including but not limited to the City Engineer:

1. Include Section 3 compliant notification language together with copies of this Section 3 Plan in Invitations for Bids or RFPs for Section 3 Covered Projects.
2. Notify Section 3 Businesses that they must be certified prior to the participation in a bid or contract for a Section 3 Covered Project and confirm such certification prior to any bid being accepted.
3. Evaluate bids and proposals to determine if the contractors made best efforts to include responsible Section 3 Businesses for at least 10% of the dollar amount of the contract, and that such Section 3 Businesses demonstrated a plan to hire at least 30% of the New Hires for the project from Section 3 Residents.
4. Monitor compliance with the Section 3 Plan for Section 3 Covered Projects, including but not limited to Form D submittals.
5. Maintain relevant records of contractors who have been awarded a contract under this Plan that involve HUD financial assistance to demonstrate compliance with these requirements
6. Identify and coordinate with local agencies, businesses, and institutions that currently provide employment training and hiring opportunities with the goal to have those agencies, businesses and institutions identify and regularly update the pool of qualified Section 3 Residents who would be available to fill new positions.
7. Provide to contractors who are required pursuant to this Plan to recruit qualified Section 3 Residents relevant information about local agencies, businesses and institutions that currently provide employment training and hiring opportunities as well as assist such contractors during the project to maintain compliance with the Section 3 Plan.

Contractors which fail to meet the minimum numerical goals above bear the burden of demonstrating why it was not possible to do so. Such justifications should describe the efforts made, barriers encountered, and other relevant information that will enable the Department to make a compliance determination. The Department reserves the right to request additional relevant information.

Recipients that submit Section 3 reports containing all zeros without a sufficient explanation to justify their submissions shall be deemed in noncompliance with the requirements of the Section 3 Plan.

Failure to comply with the requirements of the Section 3 Plan shall result in liquidated damages under the Contract and possible sanctions including debarment, suspension, or denial of participation in HUD programs.

V. CONTRACTOR REQUIREMENTS & RESPONSIBILITIES

The Contractor agrees to utilize, and to implement the following specific steps directed at increasing the utilization of Section 3 Residents and Section 3 Businesses for Section 3 Covered Projects.

A. To include, as part of Contractor's bid, the following information shall be included pertaining to subcontracts anticipated to be awarded by the Contractor:

1. To provide the approximate number and dollar value of subcontracts to be awarded over the duration of the Section 3 Covered Project (this estimate should be broken down by type of business or profession by North American Industry Classification System (NAICS) code); and
2. To provide, based on an analysis of the estimated subcontract needs, a target number and itemized value of subcontracts to be awarded to Section 3 Businesses.

B. To implement a program or strategy for achieving the targets established for awards to Section 3 Businesses which would include the following steps:

1. To insert the Section 3 Plan in all requests for subcontractor proposals, and to require all bidders on subcontracts to submit a proposal to the general contractor including utilization goals and the specific steps planned to accomplish the requirements of the Section 3 Plan;
2. To formally contact unions, subcontractors, and trade associations which operate in the City to secure their cooperation for this program; and
3. To insure that project area business concerns which have been certified by the Department of Planning and Development are notified of pending sub-contractual opportunities in their NAICS code.

C. To provide a listing of all projected trainee and employee workforce needs for all phases of the project by occupation, trade, skill level and number of positions. An estimated number of Section 3 Residents to be utilized must be included to display steps directed to meeting the goals as follows:

1. To attempt to recruit from within the City the necessary number of Section 3 Residents through signage placed at the site for the project together with comprehensive media and institutional and organizational outreach as directed by the Department of Planning and Development; and
2. To maintain a list of names and addresses of all Section 3 Residents who have applied whether on their own or on referral from any source, and to employ such person, if otherwise eligible and qualified and if a vacancy exists.

D. To maintain records, including copies of correspondence, memoranda, payroll records, etc., to document that all of the above steps have been taken.

VI. CONTRACTOR SECTION 3 REPORTS

Each contractor under a Section 3 Covered Project shall be required to submit a Form D report as a performance measurement tool together with each request for payment under the Contract ("Section 3 Report"). All Section 3 Reports should contain the following information:

1. The total dollar amount of the Contract;
2. The total dollar amount of the Contract that has been received to date (prior to this progress payment) for the Contract;
3. The dollar amount of the Contract that has been awarded to date to Section 3 Businesses;
4. The total number of employees that have been hired to date as a result of performing the Contract;
5. The number of New Hires that have been hired to date as a result of the Contract and the number of Section 3 Residents in such New Hires;
6. The number of Section 3 Residents in such New Hires who are still working on the project; and
7. A narrative description of the specific actions that have been taken to date by the contractor, subcontractors, and others to ensure compliance with the Section 3 Plan.

FORM A SECTION 3 RESIDENT PREFERENCE CLAIM FORM

THE CITY OF NEWBURGH ELIGIBILITY FOR PREFERENCE
--

Eligibility for Preference

A section 3 resident seeking the preference in training and employment provided by this part shall certify, or submit evidence to the recipient contractor or subcontractor, if requested, that the person is a Section 3

resident, as defined in Section 135.5. (An example of evidence of eligibility for the preference is evidence of receipt of public assistance, or evidence of participation in a public assistance program.)

Certification for Resident Seeking Section 3 Preference in Training and

Employment

I, _____, am a resident of the **City of Newburgh** and meet the income eligibility guidelines for a Section 3 Resident.

I reside at this address : _____

I have attached the following documentation as evidence of my status:

- | | |
|---|---|
| <input type="checkbox"/> Copy of lease/ deed | <input type="checkbox"/> Copy of receipt of public assistance |
| <input type="checkbox"/> Copy of Drivers license | <input type="checkbox"/> Previous Years Tax Return |
| <input type="checkbox"/> Copy of Evidence of participation in a public assistance program | <input type="checkbox"/> Other evidence |

Signature _____

Print Name

Date

FORM A, cont.

SECTION 3 INCOME LIMITS

All residents of public housing developments of the Newburgh Housing Authority qualify as Section 3 residents. Additionally, individuals residing in the City of Newburgh who meet the income limits set forth below, can also qualify for Section 3 status.

A picture identification card and proof of current residency is required. In addition, income tax returns from the previous tax year is required to document income.

Income Eligibility Guideline

Number in Household	Income less than 80% of Newburgh median	Household Income
1 individual	\$23,164.80	
2 individuals	\$29,938.40	
3 individuals	\$28,823.20	
4 individuals	\$32,935.20	
5 individuals	\$41,346.40	

FORM B
CERTIFICATION FOR BUSINESS CONCERNS SEEKING SECTION 3
PREFERENCE IN CONTRACTING AND DEMONSTRATION OF CAPABILITY

Name of Business _____

Address of Business _____

Type of Business: Corporation Partnership
 Sole Proprietorship Joint Venture

NAICS Code (see attached): _____

Attached is the following documentation as evidence of status:

For Business claiming status as a Section 3 resident-owned enterprise:

- | | |
|--|---|
| <input type="checkbox"/> Copy of resident lease | <input type="checkbox"/> Copy of receipt of public assistance |
| <input type="checkbox"/> Copy of evidence of participation
in a public assistance program | <input type="checkbox"/> Other evidence |

For business entity as applicable:

- | | |
|---|---|
| <input type="checkbox"/> Copy of Articles of Incorporation | <input type="checkbox"/> Certificate of Good Standing |
| <input type="checkbox"/> Assumed Business Name Certificate | <input type="checkbox"/> Partnership Agreement |
| <input type="checkbox"/> List of owners/stockholders and
% ownership of each | <input type="checkbox"/> Corporation Annual Report |
| <input type="checkbox"/> Organization chart with names and titles
and brief function statement | <input type="checkbox"/> Latest Board minutes appointing officers |
| | <input type="checkbox"/> Additional documentation |

For business claiming Section 3 status by subcontracting 25 percent of the dollar awarded to qualified Section 3 business:

- List of subcontracted Section 3 business(es) and subcontract amount

For business claiming Section 3 status, claiming at least 30 percent of their workforce are currently Section 3 residents or were Section 3 eligible residents within 3 years of date of first employment with the business:

- | | |
|--|--|
| <input type="checkbox"/> List of all current full-time employees | <input type="checkbox"/> List of employees claiming Section 3 status |
| <input type="checkbox"/> PHA/IHA Residential lease less than 3
years from day of employment | <input type="checkbox"/> Other evidence of Section 3 status less than 3
years from date of employment |

Evidence of ability to perform successfully under the terms and conditions of the proposed contract:

- Current financial statement
- Statement of ability to comply with public policy
- List of owned equipment
- List of all contracts for the past two years

Authorizing Name and Signature

(Corporate Seal)

Attested by: _____

FORM B, cont.
North American Industry Classification System

NAICS Codes	
236 Construction of Buildings	23813 Framing Contractors
2361 Residential Building Construction	23814 Masonry Contractors
238140 Masonry Contractors	23815 Glass and Glazing Contractors
236115 New Single-Family Housing Construction (except Operative Builders)	
236116 New Multifamily Housing Construction (except Operative Builders)	23816 Roofing Contractors
236117 New Housing Operative Builders	23817 Siding Contractors
236118 Residential Remodelers	23819 Other Foundation, Structure, and Building Exterior Contractors
2362 Nonresidential Building Construction	2382 Building Equipment Contractors
23621 Industrial Building Construction	23821 Electrical Contractors and Other Wiring Installation Contractors
23622 Commercial and Institutional Building Construction	23822 Plumbing, Heating, and Air-Conditioning Contractors
237 Heavy and Civil Engineering Construction	23829 Other Building Equipment Contractors
2371 Utility System Construction	2383 Building Finishing Contractors
23711 Water and Sewer Line and Related Structures Construction	23831 Drywall and Insulation Contractors
23712 Oil and Gas Pipeline and Related Structures Construction	23832 Painting and Wall Covering Contractors
23713 Power and Communication Line and Related Structures Construction	23833 Flooring Contractors
2372 Land Subdivision	23834 Tile and Terrazzo Contractors
2373 Highway, Street, and Bridge Construction	23835 Finish Carpentry Contractors
2379 Other Heavy and Civil Engineering Construction	23839 Other Building Finishing Contractors
238 Specialty Trade Contractors	23891 Site Preparation Contractors
2381 Foundation, Structure, and Building Exterior Contractors	23812 Structural Steel and Precast Concrete Contractors
23811 Poured Concrete Foundation and Structure Contractors	OTHER SEE – NAICS codes

*** A complete list of NAICS can be found at <http://www.census.gov/eos/www/naics/> . Please indicate if you would like to receive information regarding work conducted by the City of Newburgh within those industries*

FORM B(a)

BUSINESS EMPLOYEE LIST

COMPANY NAME _____
ADDRESS _____
TELEPHONE # () _____
FAX # () _____

- * List all full-time employees of the company.
- * Proof of program participation is required for all participants of Public Housing (PH) Section 8 or other federal assistance (FA) Programs

Employee Name	Address	Date of Hire	Fulltime or Part-time	Trade	Section 3 Resident (yes/no)	Public Housing resident (yes/no)

Legend: FT=Full Time PT= Part Time

TOTAL NUMBER OF EMPLOYEES: _____

By signing below you hereby certify to the City of Newburgh, New York and the Department of Housing and Urban Development (HUD) that the above information is true to the best of your knowledge. Federal statutes provide severe penalties for any fraud, intentional Misrepresentation, or criminal connivance or conspiracy purposed to influence the issuance of any federal assistance.

SIGNATURE: _____ DATE: _____

TITLE: _____

*Attach additional sheets where needed

FORM C
SECTION 3 BUSINESS CONTRACTOR ECONOMIC OPPORTUNITIES PLAN

_____ (Contractor) agrees to utilize, and to implement the following specific steps directed at increasing the utilization of lower income residents and businesses within the City of Newburgh for a Section 3 Covered Project, as will be specified in the bid documents.

A. The following information related to subcontracts to be awarded.

1. An approximate number and dollar value of contracts to be awarded over the duration of the Section 3 Covered Project (this estimate should be broken down by type of business or profession); and
2. Based on an analysis of the estimated contract needs, a target number and value of contracts to be awarded to Section 3 Businesses (these targets should consider the availability of qualified Section 3 Residents);
3. Section 3 Businesses within the categories identified in the initial estimate of contract needs).

B. To implement a program or strategy for achieving the targets established for awards to Section 3 Businesses which would include the following steps:

1. To insert the Section 3 Clause in all requests for subcontractor proposals, and to require all bidders on subcontracts to submit a Section 3 Plan to the general contractor including utilization goals and the specific steps planned to accomplish these goals;
2. To formally contact unions, subcontractors, and trade associations in the City to secure their cooperation for this program; and
3. To insure that all appropriate project area business concerns, which are certified by the Department of Planning and Development are notified of pending sub-contractual opportunities.

C. A listing of all projected trainee and employee workforce needs for all phases of the project by occupation, trade, skill level and number of positions. An estimated number of Section 3 Residents to be utilized in these areas must be included to display steps directed to meeting the goals as follows:

1. To attempt to recruit from within the City the necessary number of Section 3 Residents through: Local advertising media, signs placed at the proposed site for the project together

with comprehensive media and institutional and organizational outreach, as directed by the Department of Planning and Development, operating within or serving the project area.

2. To maintain a list of all Section 3 Residents who have applied whether on their own or on referral from any source, and to employ such person, if otherwise eligible and if a vacancy exists.

D. Maintain detailed records, including copies of correspondence, memoranda, etc., to document that all of the above steps have been taken.

By signing below you hereby Certify to the City of Newburgh, New York and the Department of Housing and Urban Development (HUD) that all information provided by you for this bid and under this contract (if awarded) be true to the best of your knowledge. You further certify that any vacant employment positions including apprenticeship and training positions, that are filled (1) after you are selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 and the attached Section 3 Plan require employment opportunities to be directed, shall not be filled to circumvent your obligations under such regulations and the Section 3 Plan. Federal statutes provide severe penalties for any fraud, intentional misrepresentation, or criminal connivance or conspiracy purposed to influence the issuance of any federal assistance.

COMPANY NAME

PROJECT NAME

PROJECT NUMBER

SIGNATURE OF PERSON
COMPLETING FORM

PRINT NAME

DATE

FORM D
Section 3 Report

(to be filed at time of each request for payment or, at a minimum,
every two months from the date of signing a contract, whichever comes first)

1. Date:
2. Contract Name:
3. Project Description:
4. Contract Amount (\$):
5. Amount Received to Date (\$):
6. Amount Awarded to Date to Section 3 Businesses (\$):
7. Total # of Employees Hired as a Result of Performing Contract to Date:
8. Number of New Hires who have been hired to date as a result of the Contract:
9. Of such number of new hires in Question 8, the number of Section 3 Residents to date who have been hired:
10. Of such Section 3 Residents who have been hired, the number of whom are still working on the project:
11. Describe specific actions taken to date by contractor, subcontractors and others to ensure compliance with the Section 3 Plan

If the Section 3 goals below were not feasible to meet, provide written explanation / justification:

1) 30% of the aggregate number of New Hires for the Section 3 Covered Project shall be Section 3 Residents; and

2) 10% of the aggregate dollar amount of all covered contracts and subcontracts for the Section 3 Covered Project shall be awarded to businesses which are owned by at least 51% Section 3 Residents and whose permanent, full-time employees include persons at least 30 percent of whom are currently Section 3 Residents or within three years of the first employment with the firm were Section 3 Residents ("Section 3 Businesses")

Signature _____

Date of Person Completing the Form: _____

Request Approved Denied (circle one)

Department of Planning & Development

Date

If Denied, Corrective Action Required:

FORM D(a)

SECTION 3 BUSINESS CONTRACTOR OR SUBCONTRACTOR PAYROLL
REPORT
SECTION 3 PERMANENT, FULL-TIME EMPLOYEES ONLY

Submit documentation for each current public housing or other Section 3 Resident

EMPLOYEE NAME	EMPLOYMENT START DATE	HOURS PER WEEK

By
signin
g
below
you
hereb
y
certify
to the
City of
Newb

urgh New York and the Department of Housing and Urban Development (HUD) that the above information is true to the best of your knowledge. Federal statutes provide severe penalties for any fraud, intentional misrepresentation, or criminal connivance or conspiracy purposed to influence the issuance of any federal assistance.

COMPANY NAME:

PRINT NAME:

AUTHORIZED COMPANY TITLE:

SIGNATURE:

DATE:

***Attach additional sheets when necessary**

GENERAL PUBLIC COMMENTS

Janet Gianopoulos, City of Newburgh, congratulated Councilwoman Bello for stepping forward for what seems to be the will of the tenants at Burton Towers. We talk about cost savings but it appears to her that Mountco is looking to spend approximately four million dollars to renovate and Newburgh Housing Authority was looking to spend more than twice that amount so she thinks it is a win, win. She noted that applications are being taken for a new Habitat for Humanity house. She will leave information downstairs on the table and you can access it on the Internet as well. She pointed out that some safety personnel are indicating publicly, allegedly "That the City would just burn to the ground" and someone else apparently said, "The City is going to burn itself down". She doesn't like the idea of employees speaking that way about her City but she thinks it is a risk and perhaps the FBI should be notified of the risk. We need to see if we do have this kind of hazard.

Omari Shakur, 113 First Street, said that the police issue is a hot topic in our community and a lot of people have been asking him if he is happy that we are going to lose some police officers. He said that he has no beef with the police and we need those officers but he hopes that they would all move into the City of Newburgh so that they could be more sensitive to the needs of our children. We need police and he thinks that there is enough money in the Budget to work that out. They just need to be more professional. He asked what the grant is for \$9,500.00 to enforce the underage drinking law. Why do we have to enforce it when we already know that there is a law? He added that we recently had a Primary Election and only seven hundred Democrats came out to vote. If people really care about the police and this City, then they need to get out and vote because if they don't then it's just talk.

Gay Lee, City of Newburgh said in regard to resolution #198-2011 that she kind of agrees with Councilman Dillard and Councilwoman Bell although their comments were different. She thinks that what will bring the two together is that whether you use the word *qualified* or not there are people who will still be weeded out based on who they are, how much money they have and what color they are. She just wanted to point out that there are other issues that disqualify people for jobs. When you have a private developer who is looking for a qualified worker, she thinks that they should make sure that one of the qualifications isn't that they are the same color as the developer.

Timothy Hayzill, City of Newburgh, said that the City is putting out a bond to generate money to get the water system fixed but are people from the City of Newburgh going to be hired when they get this money?

Acting City Manager, Richard Herbek, explained that this is a public bid process. First we need to design plans and specifications for the work and then it will be put out as public bid.

Mr. Hayzill said that on Burton Towers Councilwoman Bello filed a lawsuit to stop them from bringing in a contractor and then she got her own contractor. His deal is that she ended up with the developer that didn't hire anyone from the City of Newburgh. He hopes that people from the City of Newburgh get jobs this time because they didn't hire anyone last time.

Denise Ribble, city of Newburgh, finished reading the comments that she submitted earlier in Comments From The Public Regarding Agenda.

Paul Weber, Artrip & Weber, representing the City of Newburgh PBA, said that he was a lifelong resident of the City of Newburgh and his mother still lives here so he gets it. He started his career here as a cop in 1991 and ended in 2011 after twenty years. He said that if he asked the Council what the one problem is here and they didn't answer that it is crime then they are not smart enough to be on the Board. You can plant all of the flowers you want and grassy little Parks you want but that is not going to bring Newburgh back because you have to stem the crime problem. It has been proposed by the City Manager to lay off fifteen police officers and he cannot comprehend why that would even be entertained by the Council. In 2006, we had sixty-five patrolmen and fifteen Detectives. Just five years later we are down to forty-six patrolmen and twelve Detectives. This is an overall decrease of 27% and over a quarter of the force is now gone. In an article published yesterday, Newburgh is being called the murder capital of New York. We now have the highest crime for population once again in the State of New York. We have more crime than South Bronx and we want to talk about laying off fifteen cops. He asked if they think there is a correlation between laying off cops and the crime rate. Get rid of the cops and guess what happens to the crime rate. When crime goes up what do you think happens to the property values and safety? Everyone will be prisoners in their own homes. He can only assume that the City Manger is misleading the Council and giving them false information or not enough information. The City Manager claims that even with fifteen layoffs there will be no loss in services. You have to be a moron to believe that. He also claims that he will transfer members of other units into the patrol force after he lays off the fifteen. If it were up to the City Manager, he would get rid of all of our proactive units; our Drug Unit (because we don't have a drug problem here in the City of Newburgh) and our Undercover Unit

(because we don't have any other problems here in the City of Newburgh). Who is going to investigate the crimes? We don't have enough cops now to handle the calls for services and you want to layoff fifteen more; another 25%? From the years 2001 to 2005 this City had a surplus operating Budget. Since then we have lost 27% of the patrol force and we haven't had a raise since 2008 so where is that money going? It's not going to the cops. It's called mismanagement and bad decision making. We pay for a medical consultant up in Syracuse for some unknown reason and he thinks that she should be fired and with that money we can hire another cop. We already have a Comptroller yet we have a Consultant from Albany come in. He thinks that we should fire him. We pay for his transportation and overnight lodging. With that money you can hire another cop. He is sure that the City Manager says it's nothing personal when he is going to lay off fifteen guys but we pay him at least \$160,000.00 a year plus perks and that would put four more cops on the street.

Michael Gabor, Grand Street, said that the City Manager negotiates the contracts with the Police Department. The City Council does not. The situation that we are in now is because the City Manager negotiated a five year, no lay-off contract with our Fire Department knowing full well that the Police Department contract was coming up and of course they would want the same thing. Now he understands that the City Manager has said that negotiations have come to a standstill and we are going to use a third party mediator which means that the citizens of this City will not have a say in what happens in these contract negotiations.

Brenda McPhail, City of Newburgh said that she is for the police officers but the economy is bad right now and a lot of people are out of work so someone has to be layed off. Just like with any job you have good and bad employees so the department should be investigated but she is very impressed with the current Police Chief. The reason we are on the map is because we have people who are selling drugs to young men who aren't of age. These young men are being raised by single parents and they are trying to help their mothers keep a roof over their head and they have no one with them to tell them not to do this. The reason we have such a high crime rate is because we have nothing else for these young people to do in this City. If you don't give a child something to do then they are going to find something to do whether it's selling drugs or rob someone. These young men are being sent to jail so if they aren't getting killed out on the streets then they will get killed in jail which is what is happening. We have to find something to do to save our children besides putting them behind bars. We need to give them some ambition because maybe some day they might want to grow up and become a police officer. We have nothing in this City to make the young people want to stay here and we can't even get people to come here who want to stay in the

City of Newburgh and bring businesses here. She said that there are worse problems than getting laid off from a job that need to be focused on to try to make Newburgh better.

Susan Smith, City of Newburgh, said that we need to create jobs and revenue. Ms. McPhail is talking about a problem that has been in this City for the last thirty-five years or more. The young people on the streets are trying to get money any way they can because there are not enough jobs for the ones who want jobs. We need the police officers too because we do have a high crime rate but that is happening all across the Country. We need someone who knows how to create jobs in this City and create revenue without putting it on the backs of the taxpayers. We also need someone who knows how to market this City and stop going back to the dark ages because we cannot afford to use those methods any more. We need to start looking at Green Technology. Poughkeepsie is on the rise especially in their tourism with eight to ten thousand people a day going there because they looked to the Green Technology and they are doing something different. We are not doing anything but looking at the same old thing like raising taxes. She feels that the Bodegas we have here are killing this City because they are sucking all of the money out of here and sending it to their own Country. It's not being spent here and they are not giving anyone jobs here because they hire their own families. We need to clean up this City. She feels that Broadway looks horrible and that this doesn't even look like a City. She feels like she is in a Third World Country when she walks down Broadway.

Judy Kennedy, 162 Grand Street, said that there is a lot of tension here tonight and she recognizes a lot of police officers that are here tonight who are concerned about their jobs and a lot of people here who are concerned about this City. In the negotiation process, we need to remember the context in which we are negotiating. We have not only a City in deep trouble; we have a Country in deep trouble and jobs have been lost everywhere. The law of supply and demand is at work. Wages are not going up they are going down. She read in the paper that the police officers thought it wasn't fair that they shouldn't have to pay for the mismanagement in this City. Frankly, she agrees with them. They shouldn't have to pay for it by not having a raise but unfortunately everyone in this City is paying for that mismanagement. We all have that burden on our shoulders. We have a twenty-two million dollar Courthouse that sucked our funds dry but it's a done deal. Now we sit with this mess and try to figure a way out of it and the only way out is if we work together. There is nothing we can do about the fact that they have already spent twenty-two million dollars on a building that was already built. Now we as citizens have to figure a way out of that. It has been proposed as a MAC but she has to research that because there have been some lawsuits in other cities about MAC's and what can happen. She would assume that the Unions and

negotiators can figure this out and one group can't win over another group. We have to deal with whatever cards are dealt on the table right now. We can scream and holler about what they did back then but the fact of the matter is that we are here at this point with a situation as it exists and we cannot have one group win and another group lose.

Jeff Wallace, Broadway, said that he saw an energy audit and to save half a cop they should change the light bulbs. They estimate that will save you \$30,000.00 a year

Barbara Smith, City of Newburgh said it's like listening to someone say that there are two jobs and one of us has to go and I volunteer you. This has to be a bad joke because she reads that we need the FBI, Sheriffs department and all of these miscellaneous law enforcement agencies to come into a city that is considered to be quite a dangerous city and then on the other hand we talk about getting rid of what is protecting our city. We need our policemen so they have to figure out a different way to get it done. Cut somewhere else because this does not make sense to her.

There being no further comments, this portion of the meeting was closed.

COMMENTS FROM THE COUNCIL

Councilwoman Angelo thanked everyone for their comments and said that they took notes down because they take everything into consideration. She added that from October 20th to the 26th the Ship the Privateer Lynx will be coming to the Waterfront. There is a small committee and they are planning a costume parade from Torches down to Unico Park with a pathway of carved pumpkins that will be provided by the children at Mt. St. Mary's College. We also might have a children's band playing but this is all in the works so if anyone is interested in helping out they would appreciate their cooperation. She added that the posters on the poles on Broadway look terrible and she thinks that the only way to solve it is to find out who is having these events and who is putting up these posters because it doesn't make Broadway look any better.

Councilwoman Bell thanked everyone for coming.

Councilwoman Bello said in regard to the comments made about Burton Towers that they did have several meetings with the Newburgh Housing Authority that were fruitless. There was nothing volatile about it. She filed a lawsuit because the law was blatantly broken and the Judge saw it her way. There was nothing volatile about it. It is amazing to her that some of the people that would condemn this action are the very people that would hammer the Council into the ground if they had private closed door meetings. All she asks is for a little consistency. Either you support the law all the time or you don't support the law but you can selectively support the law. She thanked everyone for coming and wished them a very good night.

Councilman Dillard thanked everyone for coming and reminded them of a Budget meeting tomorrow night at 6:00 p.m.

Mayor Valentine noted that there are two additional special meetings scheduled after tomorrow for October 4th and 6th with the next Preliminary Proposed Budget being presented on October 11th, which is the Tuesday after Columbus Day.

There being no further business to come before the Council, the meeting adjourned at 9:15 p.m.

LORENE VITEK
CITY CLERK

