

**VILLAGE OF RED HOOK
WORKSHOP MEETING
JANUARY 21, 2016**

Present: Mayor Blundell, DM Kovalchik, Trustee Norris, Trustee Zacharzuk, Trustee Trapp was absent. Also, Clerk/Treasurer Cindi Chairella was present.

Mayor Blundell opened the meeting and stated that a memo went to managers/department heads requesting their budget requests for the 2016-2017 budget work we will soon start. They are to respond by 2/8/16 and then we will schedule our workshops.

WATER

Phase II will begin early March 2016. Mayor Blundell would like to create a video promotion to inform residents of the details of the project. Residents will be notified of street closings. Streets will always be available for actual residents and emergency use but no through traffic. Water will be turned off occasionally for only 1-2 hours as the contractor works on a connection but residents will always know that schedule too.

Water rate increase – The Mayor showed the updated budget and flow chart for rate review and models. We will show it again at the Board meeting of 2/8/16. A 3 % quarterly increases over 2 years is being proposed.

HOFFMAN FARM - WATER

Mayor Blundell submitted a concept for providing water to the Hoffman Farms Project which is a special assessment district under the control of DC Water and Waste Water Authority. The Town of Red hook will have no involvement in creating a water district. The increase in sales is consistent with our capacity and the Centers and Greenspace Plan. Any increase would help defer costs to village residents as we fund our water infrastructure upgrades.

DCWWA would buy water from the Village at one master meter and the developer would install all infrastructure and residential meters at their cost. Any and all repairs would not be done by the Village or cost the Village any money. All meter reading and billing would be done by DCWWA. There are 102 homes proposed. The Village currently provides water for 854 residents.

Suggested cost increase factors include a 12% direct expenses(power/chloring); admin fee of 3 %, return on investment of 15.4 % and a overhead and profit of 20 %. Hoffman will also pay all master meter cost, engineer/legal costs and easement for location of meter if off the right of way. Multiplier would be 150.4% but a factor has to be established to pick up the base/minimal charge per meter.

Certain technical issues arose to be resolved later. One – is the current main in Red Hook Estates transite and can it support a new tap? Will increased flow volume affect existing mains?

Board discussion ensued and pricing/town resident factoring is still under review. Town customers currently pay 200% of village rate but the village incurred all construction costs and incurs all repair exposure and billing exposure.

Board agreed that Mayor and DM will get our engineer and parties together for a meeting.

FACILITIES

Trustee Zacharzuk presented 3 quotes on upgrades to the Fire systems. Mayor Blundell made a motion to approve Red Hawk to replace and program failed annunciator, install and program fire alarm dialer, for \$ 1,309.82. Trustee Zacharuk seconded this motion. All were in favor.

Trustee Zacharzuk was tasked with review of current electric rates and the proposal from Direct Energy. He and the Mayor had met prior. Steve stated that currently Central Hudson is providing rates for electricity that do not warrant a switch and contract with Direct Energy. The Board agreed to stay with Central Hudson.

8:45 Mayor Blundell made a motion to enter into Executive Session to discuss personnel. Clerk/Treasurer Chiarella left the meeting. Trustee Zacharzuk seconded this motion. All were in favor.

9:30 DM Kovalcik made a motion to reconvene into regular session. Trustee Norris seconded. All were in favor.

9:30 DM Kovalchik made a motion to adjourn the meeting. Trustee Norris seconded All were in favor.

Submitted by

Cynthia Chiarella
Clerk/Treasurer