

**Village of Cold Spring
Village Board of Trustees
85 Main Street, Cold Spring, New York 10516**

**Meeting
1-10-18**

The Village of Cold Spring Board of Trustees held a meeting at the Cold Spring Village Hall, 85 Main Street on Wednesday January 10, 2018 at 7 pm. Present were Mayor David Merandy and trustees: Marie Early, Frances Murphy, Steve Voloto and Lynn Miller. Also present was Village attorney John Furst and Village accountant Michelle Ascolillo.

The purpose of the meeting was to discuss the Fire Protection Agreement for services provided by the Cold Spring Fire Company to the Village of Nelsonville. Present for the Village of Nelsonville were: Mayor Bill O'Neill and trustees Thomas Robertson and Alan Potts.

In the discussion to resolve the amount the Village of Nelsonville owes for past services and the conditions and terms for future contracts, the following was noted:

- T. Robertson outlined Nelsonville's view of the issues:
 - Nelsonville had wished to negotiate directly with the CSFD. Mayor Merandy pointed out this would be illegal as the CSFD is a department of the Village of Cold Spring.
 - Nelsonville had offered land to the CSFD for construction of a new firehouse
 - Nelsonville is concerned that their payment share is disproportionate to their size (as compared to Cold Spring and Philipstown)
- Mayor O'Neill asked for details of the format of the contract and asked for a shorter term for the next contract as well as an "escape clause" should Nelsonville decide to seek fire protection services elsewhere. It was agreed that the next contract term would be for (1) year
- Mayor O'Neill asked for a copy of the contract between Cold Spring and Philipstown. Mayor Merandy responded that the agreement has been made, but that the written agreement has not been received yet.
- Village attorney Furst noted that Nelsonville is contracting with Cold Spring for fire protection services.
- Mayor O'Neill asked Furst whether LOSAP is typically a line-item identified in this kind of contract. Furst replied that while LOSAP is typically identified as a component of the agreement, its specific cost is not typically called out.
- Mayor O'Neill averred that LOSAP was a "pass through" expense. Treasurer Ascolillo said it was not. She stated further that the NYS tax cap prevents a tax increase for fire protection services in excess of the cap.
- Mayor O'Neill stated that tax increases for fire protection services were exempt from the tax cap. Mayor Merandy replied that it is not exempt. Ascolillo added that if Cold Spring were to increase the tax amount for fire protection, then other elements of the budget would need to be reduced.
- Ascolillo stated that fire protection is a package that includes LOSAP. O'Neill responded that Nelsonville would have preferred an invoice for a single number (rather than as was itemized previously.)
- Mayor Merandy noted that Cold Spring pays for maintenance and operation of the firehouse (heat, fuel, electricity, etc.) and that that cost is not passed on to Nelsonville or Philipstown.

- Ascolillo stated that all monies collected (for fire protection services) go directly to the Cold Spring Fire Company.
- Trustee Potts expressed concern that the 2016/2017 contract appeared to include a double increase (first from 16 cents to 20 cents/\$1,000 and then an additional increase to 23 cents/\$1,000. He also asked what the increases were based on.
- Trustee Early acknowledged that Cold Spring did not provide costs to Nelsonville in time for preparation of their 2016/2017 budget; and the second increase, for Nelsonville's 2017/2018 budget represented the corrected costs. She noted, however, that Cold Spring provided fire protection costs for 2017/2018 in a timely manner.
- Mayor O'Neill asked for the "all-in" cost (less capital expenses.) Accountant Ascolillo replied that for the current year, the cost is \$220,000.
- Trustee Potts said that fire protection costs should be assessed proportionately.
- The group discussed different metrics that might be applied to determine the amounts paid by each municipality. These included: assessed valuation, number of calls received (though all agreed this was not repeatable) and population.
- Ascolillo asked Mayor O'Neill if Nelsonville would pay their 20%. He replied they can't afford more than 15%.
- Mayor Merandy said that Cold Spring will give a number to Nelsonville based upon the costs charged by the CSFC. Cold Spring would modify or adjust that number – as might be required – during the course of the contract.
- Mayor O'Neill asked for a specific number. Mayor Merandy replied that the CSVB would meet to determine the charge. O'Neill asked whether this would be a negotiable figure and Trustee Voloto replied that it would not.
- The group agreed to the following terms for the new contract:
 - It will be for a 1-year term
 - It will invoice the total cost without any breakouts (i.e. LOSAP cost will not be specifically identified)
 - Any adjustments (increases or decreases) will be adjusted in the contract for the following year based upon actual costs.
- Mayor Merandy stated that Cold Spring has been reluctant to cash the check sent by Nelsonville lest that constitute an implied agreement that the Nelsonville check represented the full amount Cold Spring believes is due.
- As the original check paid by Nelsonville is now void, Mayor O'Neill will write a new check for \$20,000 (the amount of the previous check.)
- Furst noted that by accepting the check, Cold Spring is not admitting any amendment to the agreement with Nelsonville as to the final amount to be paid.
- The Nelsonville Mayor and Trustees agreed and Mayor O'Neill wrote and signed a new check for \$20,000 that he gave to Mayor Merandy and the meeting was concluded at 9pm.

Submitted by M. Mell

David Merandy, Mayor

Date