

Minutes

Town of Hamilton Meeting

April 4, 2012

6 P.M.

PRESENT: Eve Ann Shwartz, Peter Darby, David Holcomb, Bert Glazier, Chris Rossi, Carol Dewey

GUESTS: David Conte and Earl Polisse

This meeting was held at the Highway garage on Cranston Road to get a better look and review of the Highway's equipment. The 5:45 tour did not happen as the weather was not favorable.

Old Business

1) The approval of the minutes for the February 27, 2012 meeting was tabled for the upcoming April 12, 2012 meeting.

2) Code Enforcement Agreement: Eve Ann has been working with Margaret Miller, Steve Jones and Jim Stokes to iron out the details for Paul McGinnis. The start date will be April 1, 2012 with a 3 month probationary period between the village and the town. We will pay the Village for Paul for two months and then pay the Village on a quarterly basis per our agreement. One of Steve Jones's concerns was that Paul report personnel matters to Sean Graham and policy matters to the Town. Steve was also concerned that any injury on Town business be reported to the Town of Hamilton. Document will be ready to sign on Thursday, April 5th. Paul McGinnis will have a mutual identification with the Town and Village. This means that if a law suit should ever be placed we will be responsible for matters relating to the Town and the Village will be exempt. In such a case, the Village and the Town will clearly need to identify the territory to insure proper coverage by Town or Village. Hopefully this can be a model for future sharing programs between the Town and Village. A motion was made by Peter Darby and seconded by Chris Rossi to officially appoint Paul McGinnis as the Codes Enforcement Officer for the Town of Hamilton effective April 1, 2012. Motion carried. A motion was needed for Eve Ann to sign the agreement. This motion was made by Peter Darby and seconded by David Holcomb. Motion carried. Peter suggested Paul take some rides with Bert Glazier to familiarize him with the territory of the Town roads. Eve Ann commented that Bert could be the eyes at times for Paul to address matters such as new construction or unsightly debris.

New Business –Highway Vehicle Replacement Program/Costs

1) Report on meeting with the Town of Cazenovia Highway Superintendent—Tim Hunt.

Eve Ann, Peter and Bert met with Tim Hunt, Cazenovia Highway Superintendent at the Cazenovia Highway Department on Wednesday, March 28th. Peter explained Cazenovia has a fairly similar situation as we do with a highway crew of 8 persons (down from 12) and four plow trucks. Mr. Hunt provided information on the Town of Cazenovia's equipment and replacement schedule. Such factors—as replacement schedules or getting the best use and cost out of the equipment were considered. Mr. Hunt provided spread sheets illustrating assumptions of costs and savings. Cazenovia is basically looking at a 7 year rotation of major equipment. Their basic equipment they need is similar to ours.

Peter passed out spread sheets with highlighted yellow figures at the bottom to reflect Cazenovia's equipment. Peter explained various examples of use for replacement and purchase that the Town of Cazenovia used. Many scenarios were discussed and we will not go into detail now as most of the equipment and costs will be revised by Peter for an upcoming meeting. This open discussion brought about good views of future organization of purchases for our heavy equipment needed. Resale of the vehicles at times brings about good monies. Financing the purchase versus outright purchase can be considered for each upcoming purchase. We have the good fortune of having enough reserve so we do not have to finance. Interest charges could be put out for bid on financing equipment. Various times to sell a vehicle is a factor as to when the best time of year when other departments are looking for used equipment. If we sell after a seven year use, the value is still good for resale. If equipment is kept over the 7 year span it may start to be costly for repairs.

Eve Ann felt we should consider when to sell as the replacement value is better with a 7 year turnover. She commented the 2004 truck we have might want to be considered for resale as it is now 8 years of service. We need to get the numbers of our selection for resale and see what they would bring in. Our 1999 truck was sold to the village and one truck was given to the village which they use at the airport.

With Tim's report if you owned a truck for 20 years and divided the purchase price by the 20 years, you would have no residual value and thus costing more per year than holding it for seven years and getting a good trade in or sale on the seven year old truck. Those with 7 years turnover showed a good maintenance value and allowed him to purch more equipment. Tim's parts budget, not including labor, went from \$85,000 to \$35,000 using the 7 year rotation and getting newer equipment.

Peter would like to put this on the table for an upcoming meeting. He would like to replace the pick-up and the 2004 plow truck. Both would need to be ordered as soon as possible. Chris Rossi commented we need to monitor the facts to see if it is the right time to buy or finance. The first seven years the wear on the vehicle is fairly good but after the 7 years of ownership one would see more maintenance costs, etc. Eve Van commented that with the 7 year turn over we certainly would have safer vehicles due to the short term usage. The OCEA compliance (air and noise emission) also has requirements that the newer trucks would pass whereas the older vehicles might not. By keeping up to date with the 7 year program we would be protecting ourselves or raising the standard of safety. Peter questioned the automatic transmission. We need to think ahead to what the resale value may be. An automatic transmission truck sells for about \$13,000 more but resale is less than a standard when it sells. Bert felt this was something that may be coming down the road. Dave Holcomb mentioned that manual transmission is better for the the hills and valleys of our area.

The discussion of use of sand and how it was distributed was reviewed by all. No action was taken on this.

Peter will not be available for the meeting on the 12th. He will make a couple of adjustments for review. He will add in the small dump truck for 2014. A hypothetical suggestion for the 7 year turnover of sale and purchase may include:

2012—Sell the 2004 and purchase a dump truck

2013—Purchase loader and plow

2014---Purchase small dump truck

2015—

2016—Purchase dump truck

2017—Preplace the 2010

Eve Ann indicated we need to make sure we set aside for this capital equipment to make sure we have enough money to make the purchases that need to be made to keep the program running. Peter indicated that 2 pieces of equipment are not listed that we need to purchase: we need a mowing tractor (around \$10,000 and we would not turn that over) and the loader

back hoe (used for ditching). This year we will rent one for ditching. Bert indicated this piece of equipment is used frequently and needed. Our 2007 back hoe is in good shape and has low hours on it. This we would probably not turn over every 7 years. Peter questioned if we should look at state bid and the resale value for replacement. Bert will check this out. The big question on any of our equipment is can we re-vamp our money so we don't spend higher amounts for the equipment.

Eve Ann mentioned that we will definitely have to have a public information session to explain the system we choose and the reasoning behind it. This could mean savings of taxpayers money. With the 7 year turnover plan we could make a substantial savings on maintenance and repairs. These savings would be done by our own highway staff versus farming it out to independent repair companies. Peter will revise the facts and details with review to our equipment.

Once the spread sheet is finalized we will do a story of this for the newspaper and eventually place our information on the web site. We need to refine our spread sheet before we can address the usage of the fund balance. The question of financing versus outright purchase was brought up. Peter said we could put the financing out for bid and see if the figures come back low. If there are really low interest rates we could use the bank and thus allow us to have cash on hand. Eve Ann asked Peter to provide us with one projected set with financing and one set without financing. Bert indicated that it is good to get rid of the excess equipment not used frequently. There are rental places that cover the needs. At times we do not need to own and turn it over.

With so much discussion on vehicles C. Dewey asked Bert Glazier for a listing of his current highway equipment. Please find this on the attached page.

After an evening of good information and discussion, a motion was made by Peter Darby and seconded by Chris Rossi to adjourn the meeting. Meeting adjourned approximately 7:30 p.m.

Respectfully submitted,

Carol A. Dewey

Deputy Town Clerk

TOWN OF HAMILTON

HIGHWAY INVENTORY

As of 4/4/12 the follow is a listing of Town of Hamilton's highway equipment:

#	Year	Equipment	Miles	Hours	Type of Vehicle
15	2006	7600 International	56,192		Dump/Plow
16	2011	Maxforce 13 Int.	5,676		Dump/Plow
17	2010	Maxforce 13 Int.	19,268		Dump/Plow
18	2004	7600 4x2 Int'l	71,560		Dump/Plow
19	1999	7600 4x4 Int'l	123,737	7,595	Dump/Plow
20	1993	4x2 Int'l	162,591	10,024	Dump/Plow
22	2005	Chevy P.U	131,677		P.U. Dump/Plow
24	1998	Chevy P.U. 3500	545,765		P.U. Dump/Plow
25	2011	Chevy P.U. 2500	39,630		P.U. Truck
	2007	New Holland B95		997	Backhoe
	2011	John Deere 624		104.5	Loader
	2007	John Deere 5525		755.8	Mower Tractor

