

**WAYS & MEANS COMMITTEE
BUDGET & FINANCE COMMITTEE
CONSUMER PROTECTION COMMITTEE**

**of the
Suffolk County Legislature**

Minutes

A special joint meeting of the Ways & Means Committee, Budget and Finance Committee and Consumer Protection Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, Veterans Memorial Highway, Smithtown, New York on **May 25, 2005** to discuss the matter of the Capital Budget.

MEMBERS PRESENT:

Leg. Peter O'Leary/Chairman of Ways & Means, member of Budget & Finance
Leg. Ricardo Montano/member of Budget & Finance, member of Ways & Means
Leg. Cameron Alden/Chairman of Consumer Protection, member of Budget & Finance
Leg. Angie Carpenter/member of Budget & Finance
Leg. Daniel P. Losquadro/member of Budget & Finance, member of Ways & Means
Leg. Lynne C. Nowick/member of Consumer Protection
Leg. John M. Kennedy, Jr./Vice Chairman of Ways & Means

ALSO IN ATTENDANCE:

Mea Knapp, Counsel to the Legislature
Paul Perillie, Aide to Minority Caucus
Ed Hogan, Aide to Leg. Nowick
Jim Spero, Director of Budget Review Office
Allen Fung, BRO
Gail Vizzini, BRO
Kevin Duffy, BRO
Ed Romaine, Suffolk County Clerk
Peter Schlusser, Suffolk County Clerk's Office
Anita Katz, Board of Elections
Bob Garfinkle, Board of Elections

MINUTES TAKEN BY:

Diana Kraus, Court Stenographer

MINUTES TRANSCRIBED BY:

Kim Castiglione, Legislative Secretary

(THE SPECIAL JOINT MEETING WAS CALLED TO ORDER AT 9:40 AM)

CHAIRMAN ALDEN:

Good morning. Welcome to the Capital Budget hearings. We're going to do the Consumer Protection. If you'd all rise, we're going to have a Pledge to the Flag led by Legislator Nowick.

(SALUTATION)

CHAIRMAN ALDEN:

And is my custom, I usually request a moment of silence for those that have given the ultimate and that's the sacrifice of their lives for our safety.

(MOMENT OF SILENCE)

CHAIRMAN ALDEN:

Thank you. We have no cards for Consumer Protection. Does anyone want to be heard? Seeing no one, we close the Consumer Protection Budget Hearing. Thank you.

CHAIRMAN O'LEARY:

Good morning, everyone. I'm going to call to order the joint committee meeting of Ways and Means, Budget and Finance. And I understand Consumer Protection's already been addressed.

MS. JULIUS:

Yes.

CHAIRMAN O'LEARY:

We'll begin the meeting with a Pledge of Allegiance led by Legislator Nowick.

(SALUTATION)

CHAIRMAN O'LEARY:

Okay. Is there anyone here •• I see the members of the BOE •• the Commissioners from the BOE. Are you coming up to speak on a project? Would you come up, please? Can you just indicate the projects or •• project or projects that you're referring to and speaking about would be helpful for us.

Good morning, BRO. Jim, how are you doing? Just pull the mikes up close to you. And for the record can you identify yourself to the stenographer?

MS. KATZ:

Anita Katz, Commissioner of Board of Elections.

MR. GARFINKLE:

Bob Garfinkle, Commissioner of Board of Elections.

CHAIRMAN O'LEARY:

Good morning, Commissioners. You're here on •• to speak on what project or projects?

MS. KATZ:

Particularly 1461.

CHAIRMAN O'LEARY:

1461.

MS. KATZ:

Right, which is expansion and upgrading of the warehouse for the new machines.

CHAIRMAN O'LEARY:

Okay.

MS. KATZ:

Two issues in the Budget Review recommendations that are concerns for us. We appreciate the fact that they moved, they advanced from 2008 to 2007, the expansion of the warehouse. But since the federal law says that we must be in compliance by September 2006, 2007 doesn't work for us in terms of the warehouse upgrade. Obviously we'll have the machines, one hopes, before Election Day in 2006, but that is the year that the federal law says that we would need to have them up and running. So obviously we need the warehouse expansion moved, if you would, from 2007 to 2006.

CHAIRMAN O'LEARY:

Is that the planning portion, construction or ••

MS. KATZ:

Well, we'd need the actual construction, electrical upgrade, HVAC for 2006.

CHAIRMAN O'LEARY:

Jim, what's the BRO recommendations?

MR. SPERO:

It's in those •• those modifications are in the proposed budget in '08. We recommended moving it up a year. Because there is still some question as to what is happening with the voting machines and what the State's going to do we didn't move it up further. But I know the State has been actively exploring the implementation of the Help America Vote Act and maybe the Commissioners could fill us in on what's happening right now in Albany on this issue.

MR. GARFINKLE:

What's happening is that up until about I guess a month ago, two months ago, there were several jurisdictions that had not yet certified machines to become in compliance with the Help American Vote Act. In the past several months every jurisdiction except New York has come to an understanding with the Federal Government as to how to comply with HAVA. New York is the only one. We are in jeopardy. If we don't come to an agreement soon we're going to lose the money. So, it's anticipated that very shortly New York State will have a plan in place and get the allocation of the money, because money has already been forwarded to these other jurisdictions.

So, from a realistic point of view, it's an estimate based upon not wanting to lose the Federal funds and being the only jurisdiction that has not adopted a plan, that within the next several months there will be a plan in place, money will be released, and machines will be certified.

We went to a conference up in Syracuse about a month ago. And unlike the previous machines that we had viewed, there's much more talk about paper trails being required. The Legislature passed a Sense, I believe, for paper trails. The machines have actually gotten a little bit bigger because they are now •• some of them instead of having an option for paper trails have it already built in as a way of buying it.

One of the interesting items was that in reviewing Budget Review's recommendation was to actually decrease the requested size of the space. When we originally were making an analysis of the space request we had contacted the vendors and got a certain amount of square footage. DPW then came down and basically said that •• are there ways that we can manipulate this to reduce the square footage that's recommended by the vendors without jeopardizing the integrity of the machines. We said however you want to do it, show us a plan and we'll go with it.

I would like to hand up to you a couple •• and I think there are enough copies for all of you. A 2004 transmittal letter by us and also the worksheets by DPW. There was the County architect and I think the Deputy for mechanical engineering. And the numbers that we had come up with or proposed were actually the DPW numbers after they had spent several days working with us and going through the warehouse and other areas where the upgrades are going to be.

Additionally, and I can understand the budgetary issues, but in reviewing Budget Review's analysis for the square footage, they also did not take into •• it doesn't appear, at least, that they took into account moving the machines, repairing the machines, so that I think with the potential increased size of the machines coupled with the recommendations after a pretty thorough analysis by DPW, that you go along with the recommended DPW square footage rather than reducing as BRO requested. Otherwise, what our concern is, we are going to be spending a lot of money on machines and then they get damaged. And the last thing I think anybody •• and if they get damaged, nobody knows with computerized things what •• how easily they are repaired, whether they need new systems, and we just think it would be a little

bit pound wise and penny foolish to cut the size of the storage area and repair area because once the renovations are done, they are not going to be done for another 20 years. So, there is not going to be another expansion in all probability the way things go. So if we do it, just make it to the point where it can actually work, and that's what we're requesting.

CHAIRMAN O'LEARY:

Just for our edification, what is in jeopardy by not moving these monies, the appropriations from •• by keeping them in seven and not moving them up to '06.

MS. KATZ:

Well, since the Federal Law says that we have to be up and running in the elections of 2006, that means we would have to purchase the machines and have them stored in 2006 for that election. And the question becomes where. Even if we get rid of all the old machines the current warehouse has air•conditioning only in the first and third warehouse. A strange anomaly, but that's where it is. So, if •• there is nowhere in the second warehouse that we could store these machines, let alone the fact that now that these machines are electronic, battery operated, they all have to be charged up. I understand Jim's point and I think we'll address that.

The issue becomes also that there has to be an electrical upgrade. If any of you have been in the building, we plug in an extra coffee pot and three things turn off. So the warehouse needs these extra electrical wiring so that all the machines can be charged up.

And in reference to what Jim's earlier point was, you know, we feel like the people who cried wolf a little bit coming to these meetings because we've been several times, Bob and I, and the State has yet to act. We are very close to seeing some action from the State. They have made some decisions. The Senate and the Assembly have agreed that the State Board of Elections will certify three or four different manufacturers of machines and the counties will then choose which machine. Then it will go back to the states and the states will bargain for a more reasonable price. This has been one of the big issues.

Bob had said we were at a conference in Syracuse last month. And one of the issues that also came up was that the Federal Government is now saying since, as Bob pointed out, we're the

last state to not do anything, that they may come down and force a consent decree on us to make us do this by 2006. So, the Senators and the Assembly people understand that everybody is really under the gun on this and they will have to be in compliance for 2006. There is no talk of extensions. It is not as though half the country is not prepared so they have to do something. It's only New York. It's difficult for us to really say we need an extension. What about every other state? So, we see it coming.

We have seen all the different types of machines. We're going to need to place an order fairly soon. We understand that no one in the Legislature wanted to put in a Capital Program for the money and that's certainly understandable until we know exactly how much it is. But you know how long it takes to improve a building. If we don't move it to 2006, I don't know where we're going to put these machines and they're delicate machines.

CHAIRMAN O'LEARY:

The estimated cost that we have with BRO's report is \$840,000 for construction. Is that accurate number, Jim, 840?

MR. SPERO:

These are the numbers we get from DPW.

CHAIRMAN O'LEARY:

Okay.

MR. SPERO:

I would just like to point out if the State is about to make a decision, finally make a decision on buying electronic voting machines, and we are going to have to have these machines up for the 2006 election, the funding to modify the warehouse for the electrical improvements really needs to be appropriated this year. Otherwise, you won't be able to use the machines even if we bought them next year.

MS. KATZ:

We had asked for it for this year. That didn't work. We're here and asking for next year. Obviously this year would be the preference.

CHAIRMAN O'LEARY:

Is the Executive Officer aware of this? Was there a request by either one of you to the Executive to include it in '05 for the construction?

MS. KATZ:

I think in '04 we requested that it be included in '05.

CHAIRMAN O'LEARY:

In '05.

MS. KATZ:

But understandably, and as I said, we're sympathetic to everyone's ••

CHAIRMAN O'LEARY:

Yeah.

MS. KATZ:

•• position because the State was in such chaos it's hard for Bob and I to come up and make a good case. But now they are up against the wall, too, and they'll have to make a decision.

CHAIRMAN O'LEARY:

All right. We have a work group later on this morning with respect to the Capital Program and Budget, so we'll be discussing just this issue, on whether we are moving it from •• your request is to move the monies from '07 to '06, but as Jim points out, that may not be adequate enough to address the problem.

MS. KATZ:

Certainly true.

CHAIRMAN O'LEARY:

Legislator Alden.

LEG. ALDEN:

That's part of what I was going to touch on. And in Public Works have we had any

presentations as far as lead time to get this done? Because even if we appropriate it for 2006, it seems like there's close to ten months in there that, you know, you would have to do the electrical work, and that seems to be the majority of the work that has to be done here •• air •conditioning and the electrical. So, it's not like we're building a new building from scratch, it's just we need some contractors to come in and do some modifications on existing buildings. That would seem to me to be something that's doable in a matter of, you know, a shorter period of time rather than if you are going to go through the whole procedure of building something from scratch.

MR. GARFINKLE:

But there is some expansion. But certainly nothing can be done without getting the electrical and the air•conditioning upgraded.

LEG. ALDEN:

And what's the time frame, the lead time that they need to do that? Have you talked to DPW about that?

MR. GARFINKLE:

Yes. I'd rather you talk with them. The impression that I got, and I don't want to go misleading you, is that they could do the construction in less than a year and the upgrade in less than a year. I don't know whether they were piggybacking it. I don't know whether it can be done simultaneously. You really need to talk to them.

LEG. ALDEN:

Okay. And, Jim, the significance of adding another almost \$900,000 to the budget, we're increasing debt load anyway, right, debt service next year, so. This isn't just like precedent setting or it's not budget busting.

MR. SPERO:

Well, in our analysis we did a debt projection and even if the County •• we didn't even have any funding appropriated in 2006 the debt service is going to go up. But this is really an issue of the County's going to be obliged to make these improvements, it's not an option. I mean, you can't have electronic voting machines without the electrical backup in the warehouse to support them because these are battery operated machines so the batteries have to be maintained and charged. It's a whole different situation than the existing mechanical machines that we have.

LEG. ALDEN:

Absolutely. Now, we just went through one budget cycle, though. When is the next budget cycle that we could consider a modification for '05 to possibly do this?

MR. SPERO:

Capital you can do at any meeting of the Legislature. You can lay them on at any meeting, a capital amendment.

LEG. ALDEN:

Okay. So, that might be the way. All right. That's good. Thanks.

CHAIRMAN O'LEARY:

Legislator Montano.

LEG. MONTANO:

Thanks. Good morning, Anita. Yeah, I'm actually on the same point that Legislator Alden is on. It says here, first sentence is you have to have ••

CHAIRMAN O'LEARY:

Your mike's not on, Rick.

LEG. MONTANO:

Oh, I'm sorry. The first sentence says you have to have these machines purchased, you have to train voters utilizing the machines by January 1st. Now, you are going to be able to purchase them by January 1st, I imagine, based on this mandate. And the question is, how long does it take to do the renovations that you're talking about?

MR. GARFINKLE:

That was in part what Legislator Alden asked. The impression that I got, and I'm going back several years from when we had the DPW •• I think it was middle or end of '04, was probably six months, but I don't know whether the two works could be done simultaneously or not. And, really, not to misrepresent anything, I think you really should be asking DPW. But the impression I got was approximately a year, but I don't know whether it could be six months ••

whether both things can be done simultaneously so it could be a six month project or whether it's really a one year project. I just •• I don't remember, truthfully.

MS. KATZ:

And I think Legislator Alden's point, Legislator Montano, that realistically DPW can do it when it has to, and I think we all understand that. If you are building an entirely new building obviously you can't rush through the amount of time, but the kind of work that we're talking about, internal work, that if the Legislature were to make it priority, I'm sure it would happen.

LEG. MONTANO:

It should be done this year, I think. Okay.

LEG. ALDEN:

For \$900,000 I'll go do it.

CHAIRMAN O'LEARY:

As I said before, we have a ••

MS. KATZ:

Obviously the sooner we can get the machines the sooner we'll have them to train our employees and the citizens and everyone else, so that would be wonderful.

CHAIRMAN O'LEARY:

As I said before, we're going to make this a topic of discussion at our work group scheduled later for this morning. Any other questions? Any other issues you want to bring to the attention of this committee?

MS. KATZ:

That was it.

CHAIRMAN O'LEARY:

Okay. Thank you very much.

MR. GARFINKLE:

Thank you.

CHAIRMAN O'LEARY:

Is there anyone else wishing to come forward to speak? County Clerk Edward Romaine. Welcome. Good morning, Ed.

MR. ROMAINE:

Good morning. I'm joined by Peter Schlussler who is our Director of Technology in the County Clerks Department. And if he may, we do have a handout about some of our capital projects. We're going to be very brief because we know your time is limited.

LEG. ALDEN:

Ed, actually you have a lot of time. We took care of the Consumer Protection. That was the long part of it, so take your time.

CHAIRMAN O'LEARY:

That is such a busy and voluminous committee to be dealt with. I'm amazed that it went so quickly, Legislator Alden.

LEG. ALDEN:

Well, I did a lot of homework yesterday and last night, so.

MR. ROMAINE:

The handout is the County Clerk Capital Program. I can go through it but let me just start off by saying that the program received a great deal of review by Allen Fung and by Kevin Duffy of BRO. They have done an excellent job in my estimation in prioritizing the needs of the County and the County Clerk's office. I would simply say that we concur 1,000 percent with the BRO recommendations.

I'll just go through the requested projects. It would seem as if the Executive, in taking a look at some of the projects that are listed here, had a desire to push all projects off until after •• into 2007 or later. Obviously my term of office ends in 2000 •• at the end of 2006. Just an interesting side note.

However •• well, what I would like to say, the reason I would like to advocate for what BRO has

advocated for in a non-partisan way, is that I have been involved, this is my 16th year as County Clerk, and have been involved in working with Peter and others in his staff, and my staff, in putting together a technology based program for the County Clerk's office. I have a great deal of experience and I would like to see some of these projects come to fruition and continue to work hard to my very last day in office to make sure they are implemented. Let me go through them if I may.

One is the optical disc imaging system. This is the last component of that system. It was postponed previously and the County Executive recommended it to 2007. BRO recommended it for 2006, and I concur with BRO.

The creation of a data media storage center for all of our service. You put this in the budget last year but failed to fund it. The •• we agree with BRO when they say we need to add the funds in 2006. I don't know •• the County Executive did not even include this in his Capital Program.

Upgrading the court minutes so they'd be available on-line. The County Executive recommended postponing it to subsequent years. BRO has recommended this for 2006. We concur.

The creation of a web fee application. By the way, it's interesting to note, if you read the preamble to the Capital Budget, everything that we put in our Capital Program is exactly what the County Executive puts in the verbiage that he wants to see from this County government. But interestingly enough, when it came to funding them in my office, he decided to postpone all of it to subsequent years. So there is a dichotomy between what he said in the introduction to the Capital Program into what we were recommended.

The creation of a web fee application. What does that mean? It means that people can pay their fees on-line, which is something that the County Executive actually advocated for. And he moved these monies to 2007. BRO says it should be in 2006. We concur with BRO.

For \$40,000, a public access timer. The County Executive didn't even include this. So that we could make money by insuring that there was a turnover in the use of our public access computers, which would make actually more money for the County than the project would recommend. BRO said 2006. We concur with BRO.

The integration of the filed maps. You put this on the web, at 65 cents a page you are going to get a lot of people downloading. You are going to add value to us and you are going to pay for this program within five years. It will pay for itself. The County Executive said do it to 2008. We said we concur with BRO. They said 2007. I would have liked to see this in 2006. But we understand that the County has some fiscal, always has fiscal problems, so we will concur with BRO.

The enterprise model. The County Executive pushed that off to 2007. That's combining Real Property, Treasurer and County Clerk data so we don't have repetitive data systems, into one data system. BRO said, as well as the County Executive, postpone it to 2007. I would have liked to have seen it in 2006, but I understand the reason why, because you can't fund everything. So we'll go with the BRO recommendation.

The Unified Land Record System. The County Executive postponed this and BRO agreed with his recommendation. We're not happy with this, but we'd rather stand behind BRO's recommendation, so we'll support the BRO recommendation.

The integration of business related data systems. I mean, the County Executive did not include this in his capital project. BRO agreed we'd like to see this, but it's no skin of our nose. It's just a way of tying our data in with Consumer Affairs so that they know who's licensed, who has a business registered, all of these other things because we have repetitive data systems there. But if they don't want to do it, that's okay with us.

Now, the off site data recovery system the County Executive did not include, BRO agrees, and the reason that BRO agrees •• and I'll agree with BRO on this, is because they are going to build a county wide disaster recovery system. But I will caution this Legislature that if there is not a county wide disaster recovery program, our data as well other County data will crash and there will be no backup and we could be facing a computer disaster, if you know what I talking about. It's like when your computer crashes at home. Well, if we don't have backup somewhere.

We wanted for \$275,000, we were going to build a backup system and put it over at the jail so

if anything happened in our building, to our system, all that data would not be lost and could be recovered. But the reason the County Executive did not include it in fairness and the reason that BRO agrees is because they said well, we're going to build a county wide system. I cannot, cannot stress to you enough, in fairness, that if there isn't a county wide system built sooner, we may be facing a meltdown of data.

So, with that, I have ended my very brief presentation. I have given you an outline. I can give you much more than this, but I know your time is precious.

CHAIRMAN O'LEARY:

We have some questions, Ed.

MR. ROMAINÉ:

Sure.

CHAIRMAN O'LEARY:

Legislator Losquadro and Kennedy.

LEG. LOSQUADRO:

For the Clerk or BRO, when is the county wide system scheduled, the backup system scheduled to be begun, completed? Is there a time schedule for this project?

MR. SPERO:

What's the project number?

LEG. LOSQUADRO:

Again, drawing upon my experience in the private sector, when insurance companies went to ECF's or electronic claim files, before they went to an electronic claim file system, they created redundant backups. You can't risk the type of loss of data if you go to an electronic system without having a backup. It's •• the risk is simply too great. So, I'm sort of flabbergasted we don't have this already.

MR. ROMAINÉ:

We don't.

LEG. ALDEN:

Now, last year I brought this up but I was overwhelmed or underwhelmed with doing some kind of backup. And as a matter of fact, IT on the County Executive's side came in and lied on the record because ••

LEG. LOSQUADRO:

I remember that.

LEG. ALDEN:

Yes. I had asked for bunch of answers to questions. They came in, lied that they had given me answers to the questions, were never had. That's why we're still in this position. Now it's a year later when it could have been done last year.

MR. SPERO:

Okay. The county wide disaster recovery is scheduled for \$400,000 in 2005 and another 250,000 in 2006.

LEG. LOSQUADRO:

Has any work begun •• has any monies been expended on this project as of yet?

MR. SPERO:

Let's see.

MR. ROMAINE:

Could I ask, after the answer is given, that Mr. Schlusser address that as an expert?

LEG. LOSQUADRO:

Please.

MR. ROMAINE:

Because he has an opinion.

LEG. LOSQUADRO:

I look forward to an answer since we don't seem to have been able to get one in the past.

MR. SPERO:

Two hundred thousand has already been appropriated for this project, for the disaster recovery.

MR. SCHLUSSLER:

Just as a point of reference, backups are only as good as having hardware to put the backup on. And what I mean by that very specifically, to have a tape backup of data is all well and good. You can hold in your hand and say I have a backup, but you actually have to have hardware to place it on.

Now, the problem with this project that I hear for roughly \$400,000, that sounds grossly underfunded from a standpoint that you need the hardware to place the backups on. Because otherwise it will take you an inordinate amount of time, unless you have some sort of arrangements with some hardware dealers, whether it be Dell or `_Unix_` or IBM, to bring in this hardware so you can actually place the data back on. You are really going to have to have •• you will not have any business continuity at all. All you will have is a backup in your hand saying, well, I have backup. And the backup is only as good as putting it on a machine.

Now, very specifically, we have very sophisticated, and I'm sure in other County agencies also, we have very sophisticated architecture with our whole infrastructure as far as hardware. So to have a backup I would have to replicate that hardware. Hence, that is why we requested I believe \$400,000.

With the enterprise being the whole County system, you really have to have replicated hardware somewhere else to have an effective business continuity and backup scheme. That project does not sound like it has that •• has taken that into consideration. It sounds like it is just taking the software into consideration, the backup itself, not the hardware. I just want to make that point very, very clear because at some point if we have a failure and somebody is saying well, we have backups and they are holding it in their hand, big deal. We have to have it on a system so that we have the business continuity. So, I just want to state that.

MR. ROMAINE:

I would just point out that a great number of the County records happen to be County Clerk records. And if this project has been funded, well at least the money appropriated, no one,

and I mean no one, has been in touch with us as how that backup is going to work for the County Clerk's office. So, we're about to launch a subscription service. We have a lot of other data on our website. We have a lot of other electronic data. We have a lot of concerns about losing that data.

The administration doesn't •• has yet to address those concerns in a meaningful way or even sit with us and review any backup procedures for our office •• if they want to run a countywide system. We have had off•site disaster recovery in the last two capital and this will make the third capital budget because we have concerns about our data and we're don't feel that those concerns are being addressed by IS or by the current administration.

LEG. LOSQUADRO:

Thank you. Do we have any additional input?

MR. SPERO:

On page 112 of our report, that's the project for the county wide disaster recovery.

MR. FUNG:

With respect to 1729, this is a disaster recovery plan that is being implemented by IS. The second phase was started in 2004 and this project is supposed to be completed in 2005.

I'm not sure to what extent the Clerk's office is involved in this. I can't speak for IS. But I do know that IS put in a request for I think it was \$2.4 million for a county wide disaster recovery plan and the County Executive recommended a consultant be brought in to reevaluate and reformulate a plan.

MR. ROMAINE:

I just would point out it is now, what, May 24th or 25th. We have not been consulted by IS about any disaster recovery for our data at all. So if this program is under way, it's certainly not with the inclusion of the County Clerk's office for whatever reason.

LEG. LOSQUADRO:

Well, I certainly concur with Legislator Alden's previous concerns. And as I stated, with what I have seen in private business, it is extremely troubling and something that I think we need to

continue to address.

CHAIRMAN O'LEARY:

Legislator Kennedy.

LEG. KENNEDY:

I'd just like to go on this tact for a moment and then go over to 1751. How many images do we actually have at this point that are in the system as far as being exposed or storage.

MR. SCHLUSSLER:

Roughly we have 300,000 instruments which would comprise of well over three million images themselves.

LEG. KENNEDY:

About 3 million images that we have that are •• now, that's just on the land record side. And what are we adding?

MR. SCHLUSSLER:

In addition do that John •• I'm sorry. In addition to that, we are adding judgements and liens and lis penance roughly 20,000 images a month. In addition to that, each day we're doing a partial back file conversion which is adding an additional 20,000 images a day.

LEG. KENNEDY:

And that back file is set to go ahead and continue and is going to take us all the way back to whatever it is ••

MR. ROMAINE:

1969. It's anticipated that we will have 25 million records on•line at one point or another.

LEG. KENNEDY:

So, we're growing incrementally each month with the go forward position as well as aggregating the historical data that we have?

MR. SCHLUSSLER:

Yeah. In addition to that we're actually reaching our tentacles out to other images such as,

again, judgements, lis penance liens, so on and so forth, that are all related to the land records including UCC's to build this.

LEG. KENNEDY:

The subdivision maps as well. Basically we have to be about 50, 60% through that at this point.

MR. SCHLUSSLER:

Yes. We're back to 1942 at this point, which would bring us well in excess of that 70%.

LEG. KENNEDY:

Okay. And so that subdivision maps and some of the other maps that we've kept in there, oyster lot maps, things like that, railroad maps.

MR. ROMAINE:

Condominium maps, railroad maps, right.

LEG. KENNEDY:

So all of that at this point we store on-site but we have had absolutely no contact or ability to go ahead have any kind of ability to store it in that safe environment elsewhere.

MR. ROMAINE:

We don't have the ability for backup on that, but we also don't have the ability on the subdivision maps, which is one of our projects here, to put it on-line. We think that would be a tremendous asset to put that on-line and grow revenue for this County in the long run, far in excess of the cost of the project.

LEG. KENNEDY:

Well, that's part of the direction that I wanted to go in actually with the two projects, 1751, and then I also wanted touch on 1790 as well. 1751 obviously has been, I guess, the medium or the mechanism that we've utilized to go ahead and get to the point where we are now. And actually, in the write-up I see what it would do is allow us to go ahead and utilize, I guess, some additional efficiencies in the office as far as continuing that process.

MR. SCHLUSSLER:

Yes. What that essentially does is tie in the images to a workflow process. What do I mean by that? We essentially take paper and we image it currently. So what does that mean? We're still handling the paper. The whole purpose of the final phase of this project is to minimize the handling of paper and essentially image it at the first instance, if you will, as opposed to the back end.

Currently we image at the tail end of a paper process as opposed to the beginning of a process. So to realize synergies or process improvement or savings, if you will, we take this infrastructure we have in place, this optical imaging infrastructure, and now we attach this electronic work flow component to it so that thereby as the paper comes in a door we deal with it right then and there and the paper is gone and it doesn't stay in the office. Thereby we are dealing with electronic data.

LEG. KENNEDY:

This is also part of the mechanism similar to what New York City's done with ACRIS, which will allow us to engage the industry in doing some of the initial inputting on our ••

MR. SCHLUSSLER:

Absolutely. Part of the goal and that's ••

MR. ROMAINE:

The web.

MR. SCHLUSSLER:

1682 if you look down.

MR. ROMAINE:

The web fee application where people can actually go on•line, title companies who are bulk recorders, bringing in a lot of stuff, before they get to the office and actually feed their documents on•line and pay for their documents electronically and it's all done electronically. And that money gets into the bank much quicker because it's being electronically deposited into our accounts, obviously making interest because they are in interest bearing accounts until we turn them over to the Treasurer. We feel that that is the way to go.

Also, what Peter talked about is a precursor of what we anticipate. I only wish I had a couple of more terms left in me. We •• I believe that New York State is moving and I would hope would be moving in the form of electronic recording of deeds and mortgages and that would be •• what we're doing is preparing so that we would be one of the first in this state. It's done in other states so we're not •• it's nothing new, electronic recording. We would be a precursor, all the work that we're doing to doing that so we would truly have an electronic enterprise model in terms of a County Clerk's office where you can file electronically, you can pay electronically, you can get all your information electronically. We will become less of a physical plant operation and more of an electronic plant operation.

LEG. KENNEDY:

Ed, also with the Clerk's office as a County organization, wouldn't that do something to benefit or reduce the reject rate, particularly on the money side?

MR. ROMAINE:

Oh, absolutely. Our reject rate from title companies now approaches over a third of the documents presented or rejected because of not enough money, of other character flows, the notary is in the wrong place. You know all the 26 characteristics.

LEG. KENNEDY:

I guess I do.

MR. ROMAINE:

You've dealt with all of them. But this would reduce the reject rate, which would be extremely beneficial, I think, to title companies and to ourselves and to the general public.

LEG. KENNEDY:

It would also reduce on some of the data entry in the back end.

MR. ROMAINE:

Well, also it would reduce staff time because when you deal with rejects, we have to reject it, we have to mail it back, it has to come back in. It's very •• it's not productive. It's not a productive use of staff time.

LEG. KENNEDY:

And then the other thing, I guess, I'd just touch on is the 1790 with the unified •• the land records system. I know we heard yesterday about Planning looking for a project associated with GIS. However, GIS notwithstanding, there is a need, I think, isn't there, in order to go ahead and normalize the data?

MR. ROMAINE:

Let me have Peter address this because this is •• I mean, we don't have a GIS system because this project is lacking. And we have talked about GIS when I was in the Legislature 20 years ago and we still don't have it. But let me have Peter explain what this project will do.

MR. SCHLUSSLER:

GIS is a picture and then a data underneath the hood ••

CHAIRMAN O'LEARY:

I'm sorry. I apologize.

MR. SCHLUSSLER:

No problem.

CHAIRMAN O'LEARY:

I apologize. For a second I was engaged in conversation and then when I heard Peter I thought it was me.

MR. SCHLUSSLER:

I'll simplify it. The GIS system is a pretty picture, if you will, and underneath that hood is the data typically from a County Clerk's office in addition to many other areas. But a good chunk, 60 to 70% of your data comes from the County Clerk. Ownership, what's going on with that hunk of land. I often call it the TRW report on a piece of parcel of land, essentially what is going on with that piece of land.

The Unified Land Record System that we speak of, that capital project 1790, is to essentially leverage that data in such a way that we make it easily accessible to the GIS component,

number one. And number two, to eliminate the numerous redundant keystrokes that we have between the three organizations. I'll just give a quick example.

MR. ROMAINE:

That's Treasurer, Real Property and County Clerk. We would combine all their data systems to prevent the redundancies, to prevent the unproductive use of staff time and to create one land system for this County.

MR. SCHLUSSLER:

Here's a quick example. We replicate tax map numbers, physical addresses and parties that own particular parcels of lands in the three different organizations. That doesn't necessarily make sense for a couple of different reasons. One, there is somebody doing that three different times, but more importantly, the data will be disparate or not the same. And what that does, that leads to what I call anomalies in the data where you don't have necessarily the accurate picture of what is going on with that parcel of land.

The whole purpose of the Unified Land Record System is one, is to consolidate it into a single address, single tax map number, single parties and obviously a single place where that data is being entered as opposed to three different agencies. It would be just one.

In addition to that, it makes it a single point of access for the GIS component to lay on top. So we •• this system would be the engine underneath the hood of the GIS system. So to have a successful GIS system is to have as much data underneath that hood as possible. The three biggest chunks of data are the Treasurer, Clerk and Real Property.

LEG. KENNEDY:

One last question with that and then I'll it give up. I appreciate everybody being patient with that. Is there any derivative benefits that we would realize from this, particularly in the Treasurer's Office where we're receiving our information from the ten town assessors, any constant upload that goes on in order to go ahead and keep the tax records current.

MR. SCHLUSSLER:

Right. Part of •• there's an initiative going on in Real Property that I support. Essentially it is to build a link between the government of Suffolk County I should say and each •• I will call

them 31 assessors. There is ten towns but there is 21 additional ••

MR. ROMAINE:

There is 31 villages.

MR. SCHLUSSLER:

Thirty•one villages and 10 towns?

MR. ROMAINE:

(Nodding head affirmatively)

MR. SCHLUSSLER:

Okay. What does that mean? So we're actually getting the quality of the address right from the source, from those towns and those villages as opposed to us deriving those physical addresses from a piece of paper. What is the benefit? Obviously the most accurate picture of the address and the tax map number and the ownership data, but more importantly, the keystrokes are being done by somebody else, not by us. What does that mean? Synergies, less people doing work, which allows us to either do other things or •• so on and so forth.

CHAIRMAN O'LEARY:

Hire less people.

MR. ROMAINE:

Hire less people, do attrition, let the staff decline, whatever. There is a whole host of alternatives.

LEG. KENNEDY:

Okay. Thanks very much. I appreciate it. Thank you, Mr. Chair, for enduring.

CHAIRMAN O'LEARY:

Legislator Alden and then Legislator Carpenter.

LEG. ALDEN:

That was pretty close to one of the points I wanted to touch on. The Clerk's office is unique and when we evaluate what kind of capital programs that we want to do for the Clerk's office,

whereas if you are looking at other programs throughout the County, it is hard to quantify what the benefit is to the County. Cost is very easily established, but, you know, what are our benefits. Like even roads. What is the benefit of having a road out there. Okay, there is a whole bunch of things that the roads are depending on. Whereas here there is a direct link to revenue and a revenue stream. So this and the Parks Department are two really unique situations where like when you put money into a golf course. You are going to see •• either you are going to see a return on that money or you are going to find out that you wasted your money.

That's why I would actually support almost every one of these projects that has been proposed, even the ones that the County Executive wants to, you know, either do away with or push off into the future and using the basis of evaluation. If they are going to lead to more things that we can sell on•line, more revenues to the County or reduction even in the work force, and I don't advocate for laying off people, but through attrition as you mentioned before we possibly could make it more efficient, more productive. I don't see why we don't use, even if it has to be unique to the Clerk's Office, why we don't use that type of business model and business evaluation on every one of these projects.

CHAIRMAN O'LEARY:

Legislator Carpenter.

LEG. CARPENTER:

Well, I concur and that was very well said. I don't think that any department would say that they are flush with staff. I mean, we constantly hear that everyone is short staffed. So that if we employed some of these economies, if we employed some of these initiatives, technologically we would free up staff time do more productive things than repetitive functions as you have described here.

We had passed a resolution in this Legislature to create a Delinquent Property Tax Task Force, and Peter came before that task force and some of the things and projects that you, you know, mentioned were referred to. And part of the recommendations of the task force is to try to capture this information in a better fashion than we're doing. So like Legislator Alden, I certainly would be supportive of adding any and all of these projects as recommended. And looking at 1729, the county wide project, they're only making reference to the Police

Department and Health Services. What about the rest of the departments?

MR. FUNG:

That was initial implementation. They were going to implement the disaster recovery plan for those three agencies and it will be expanded to include other agencies in the County.

MR. ROMAINE:

We have yet to be consulted, though, about disaster recovery by anyone in this County government.

LEG. CARPENTER:

But the last bulleted item on page 112 says that IS is expected to be completing the last phase in 2005. How long does it take to do it that they haven't been contacted as the department that collects 60, 70% of the data for the County.

MR. FUNG:

I can't speak for IS, but what I will say is this. This part of the disaster recovery plan only touched upon these three departments. IS put in a second request for about 2.37 million and that project is to expand it to other departments. What the County Executive ••

CHAIRMAN O'LEARY:

Let me interrupt for a second. Jim, while we're discussing this matter can you just do some quick math and add up the numbers what the advance funding would be for '06 for all of these items? Thank you. I'm sorry. Go ahead.

MR. FUNG:

There is a request by IS for a disaster recovery plan. And the County Exec recommended a consultant be brought in to get a better idea as to what the critical services are. Now, this is not to be confused with preventing data loss. Backups are being done on data. A disaster recovery plan is to make sure that critical services in the County in the event of a disaster continue. Okay. The data is being protected on these systems. It is to maintain up time and availability or access to important data by the Police Department, the Health Department.

The issue here is that a determination has to be made as to what the critical services are and

which department's data has priority over another department's data. That's why the idea of the consultant comes in, so that the determination can be made as to how to prioritize what the critical services are and which department should be addressed first.

For example, why not the Clerk, why isn't the Clerk in the disaster recovery plan in the first place? Why is it in the last phase? I can't tell you why. I don't know what the underlying plan is that this project was based on. Those are the same questions that we are asking, and we have asked in the Steering Committee, who determines what the critical services are and what order they are supposed to be protected.

LEG. CARPENTER:

It seems to me that that answer comes with something that is lost and it becomes critical to that person, if you follow what I'm saying. You know, it could be the Clerk's office, it could be Real Property, it could be the Health, it could be Parks. I mean, if something is lost that's going to cause a problem, then it's going to be critical and why didn't we do it. It seems like you have to do it all. I don't think you can, you know, with the exception of public safety and health, everything else is on an equal playing field and you just have to do it all. You can't keep putting it off.

MR. FUNG:

I believe the intent is to have all of the critical services and data being addressed. The point is who should go first because you can't do it all in one sitting, so if you are going to implement a disaster recovery plan for the entire County, a determination has to be made, okay, is the police more important, should they be the first department that has to be protected in the event of a catastrophic situation? Do you want the police to be up and running before the Parks Department? Or should the Clerk's data be protected first or should Health Services? What happens in the event of a catastrophic event like a terrorist attack or something like that. Should the County Executive still have access to their systems? Those determinations have to be made somehow according to a plan.

LEG. CARPENTER:

In all of this none of us have even said the Department of Public Works.

MR. FUNG:

Right.

LEG. CARPENTER:

And, you know, if there was a disaster and traffic lights are out, you know, that's a potential disaster. So they, too, are critical.

MR. FUNG:

Right. Correct.

MR. ROMAINE:

I think a lot of decisions are being made about technology without the approval, input or knowledge of the County Legislature. And as we become a more technologically driven government, it's very important to involve the policymakers of this County which this body is, in those type of decisions if only from an informational point of view. We can replicate our hardware now for about 275,000 to 300,000. We could do this project in •• how long would it take us, Peter, in•house to do this?

MR. SCHLUSSLER:

Six months.

MR. ROMAINE:

Six months, no consultant, in•house.

CHAIRMAN O'LEARY:

Legislator Kennedy. I'm sorry, are you finished?

LEG. CARPENTER:

May I? No. You know, listening to this this morning, I'm going to suggest and I guess it would be to the Chair of Ways and Means, that we hold a public hearing and really bring the departments together and look at this situation a little bit more globally and get some of the answers. I know that in that Delinquent Property Task Force a lot of this was discussed and, you know •• but I'm only one Legislator. And I think that we need to hear it as we're making decisions on funding and priorities. I really think that it would be very valuable.

LEG. ALDEN:

Legislator Carpenter, would you suffer an interruption just for a second? Just to add on to what Legislator Carpenter said and I just made the suggestion to Legislator Kennedy. We might want to ask the Presiding Officer to create within one of the committees, maybe Ways •• not Ways and Means, but possibly Way and Means. But what comes to mind right now is Vets, Seniors and make it IT also because it seems like Legislator Kennedy has a lot of experience in that line and could possibly hold these hearings that Legislator Carpenter actually suggested.

CHAIRMAN O'LEARY:

John, you just got a job, I think.

LEG. KENNEDY:

Thanks for that glowing endorsement. But I guess what I would say is I concur with everybody else as we sit around here. I just wanted to go ahead and frame two more points. Primarily, I guess, I think it's important this Legislature views the Clerk's Office from that business model and looking at that when we talk about the efficiencies associated with moving to these things, maybe not necessarily attrition. The Suffolk County Clerk's Office is the largest County Clerk's office in the State of New York outside of the City; is that correct?

MR. ROMAINE:

It is the busiest by volume in the State of all the counties, including Kings, New York, Queens, the three that are larger than us. We are still the busiest by volume because we've subdivided our land more than any other County. As you know, John, we have 575,000 separate parcels of land.

LEG. KENNEDY:

Just three other points, if you would, Ed, for us for the record, then. What is the gross amount on average that we go ahead and convert each day? What do we net to the County fund annually and what is our latency period or time with data as far as transaction compared with the rest of the state?

MR. ROMAINE:

I'll start. We're depositing somewhere between 1.8 and two million dollars daily into the various accounts that the County Clerk has. So, we last year did \$488 million dollars worth of volume which is unparalleled in the state. As far as our back time is concerned, we are

recording deeds within 24 hours and mortgages, including satisfactions and assignments, with less than two weeks backlog. So we are perhaps •• I would say other than small counties like a 5,000 Hamilton County, the leader in the State in terms of timeliness and time efficiency.

LEG. KENNEDY:

And from a business perspective, the business community is always seeking contemporaneous data. We do have the closest or the most contemporaneous mark amongst all County Clerks, don't we?

MR. ROMAINE:

Oh, absolutely. We have the best track record of any County Clerk's Office in the States of New York.

LEG. KENNEDY:

And then finally, last year what did the office remit to the general fund?

MR. ROMAINE:

I believe it was over \$18 million.

LEG. KENNEDY:

Okay.

CHAIRMAN O'LEARY:

Okay. Are you two guys still married?

LEG. ALDEN:

Feel the love.

CHAIRMAN O'LEARY:

I can feel it. I can feel the love.

LEG. KENNEDY:

It's in the bones. Can't get it out. What can I tell you?

MR. ROMAINE:

I thank you very much.

CHAIRMAN O'LEARY:

I'm not quite finished, Ed.

MR. ROMAINE:

Oh, oh.

CHAIRMAN O'LEARY:

Jim, did you do that quick math?

MR. SPERO:

Yes. I came up •• including the full implementation of a disaster recovery plan at \$2.37 million
••

LEG. LOSQUADRO:

No.

CHAIRMAN O'LEARY:

No, no, no.

MR. SPERO:

We're talking about implementing •• fully implementing a disaster recovery plan. It would be \$5.83 million.

CHAIRMAN O'LEARY:

All right. But absent the 2.3 we're talking around three million?

MR. SPERO:

(Nodding head affirmatively)

CHAIRMAN O'LEARY:

Because, I mean, I did some quick math for those that are •• the numbers recommended by the BRO to advance to '06 is just a little over two million. So, we're talking maybe an additional million for '06, excluding the off•site disaster recovery.

MR. SPERO:

That's if you did everything •• going further than what we had recommended.

CHAIRMAN O'LEARY:

Okay. All right. Any other questions from the committee?

MR. ROMAINE:

Thank you very much. I appreciate it. I believe this is the last Capital Budget I'll present and I'll have the opportunity to implement, but I appreciate it very much. Thank you.

CHAIRMAN O'LEARY:

Thank you, Ed. Any other speakers to come before the committee? Hearing none, meeting is adjourned.

(THE SPECIAL MEETING CONCLUDED AT 10:39 AM)

DENOTES SPELLED PHONETICALLY