

BUDGET & FINANCE
INFORMATION TECHNOLOGY
COMMITTEE
OF THE
SUFFOLK COUNTY LEGISLATURE

MINUTES

A meeting of the Budget & Finance Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, 725 Veterans Memorial Highway, Smithtown, New York, on Tuesday, August 9, 2011.

Members Present:

Legislator DuWayne Gregory - Chairman
Legislator Jay Schneiderman - Vice-Chair
Legislator Ed Romaine
Legislator Tom Muratore
Legislator Lou D'Amaro

Also In Attendance:

George Nolan - Counsel to the Legislature
Jason Richberg - Aide to Legislator Gregory
Renee Ortiz - Chief Deputy Clerk of the Legislature
Gail Vizzini - Director Budget Review Office
Robert Lipp - Deputy Director - Budget Review Office
Linda Bay - Aide to Minority Caucus
Paul Perillie - Aide to Majority Caucus
Dennis Brown - County Attorney's Office
Catherine Stark - Aide to Legislator Schneiderman
Justin Littell - Aide to Legislator D'Amaro
Eric Kopp - County Executive's Office
Dot Kerrigan - AME
All Other Interested Parties

Minutes Taken By:

Donna Catalano - Court Stenographer

(*THE MEETING WAS CALLED TO ORDER AT 10:05 A.M.*)

CHAIRMAN GREGORY:

Good morning. Welcome to today's Budget and Finance Committee Meeting. We're going to start off with the Pledge of Allegiance.

SALUTATION

Let's all remain standing. We will have a moment of silence in memory of Detective Sergeant Reecks who passed away over the weekend.

MOMENT OF SILENCE

Okay. We don't have any cards, but is there anyone in the audience that would like to speak during the public portion, please stand up and we will recognize you. BRO, do you have any comments? I think there was a change to one of the bills, 1705.

MR. LIPP:

Yes. That was the 5-25 legislation. Instead of it being for two years 2011-2012, it will only cover the current year, 2011.

CHAIRMAN GREGORY:

I thought we did a bill for this year.

MR. LIPP:

Originally last year, the Executive introduced a bill for two years, but at the end, it was determined to just do it for one year.

CHAIRMAN GREGORY:

Okay. All right. Okay. We will get to the agenda any questions? No? Okay.

Tabled resolution ***1397 - Directing the Department of Public Works to develop and issue an RFP for the sale and lease back of the H. Lee Dennison Building. (Romaine)***

I make a motion to table.

LEG. SCHNEIDERMAN:

Second.

CHAIRMAN GREGORY:

Seconded by Legislator Schneiderman. All in favor? Opposed? Abstentions? **Tabled (VOTE: 4-0-0-1 Not Present: Legislator Romaine)**

IR 1400 - Mitigating an anticipated budget shortfall by authorizing the sale of Suffolk County tax liens. (Kennedy)

Motion to table by Legislator Schneiderman, seconded by Legislator D'Amaro. All in favor? Opposed? Abstentions? **Tabled (VOTE: 4-0-0-1 Not Present: Legislator Romaine)**

1401 - Directing the County Executive to negotiate union concessions as a means of mitigating the budget shortfall. (Cooper)

I make a motion to table, seconded by Legislator Muratore. All in favor? Opposed? Abstentions?

Tabled (VOTE: 4-0-0-1 Not Present: Legislator Romaine)

1459 - Instituting a lag payroll in Fiscal Year 2011 for employees within the Suffolk County Board of Elections in Bargaining Units 21 and 24 to address revenue shortfalls and avoid a reduction in the workforce of County personnel. (Cooper)

I make a motion to table.

LEG. SCHNEIDERMAN:

Second.

CHAIRMAN GREGORY:

Seconded by Legislator Schneiderman. All in favor? Opposed? Abstentions? **Tabled (VOTE: 4-0-0-1 Not Present: Legislator Romaine)**

1460 - Authorizing a voluntary lag payroll for Elected Officials. (Cooper)

I make a motion to table, seconded by Legislator Schneiderman. All in favor? Opposed? Abstentions? **Tabled (VOTE: 4-0-0-1 Not Present: Legislator Romaine)**

1623 - Apportioning Mortgage Tax by: County Treasurer. (Co. Exec.)

This was approved by Procedural Motion at the last meeting. So we're going to table this subject to call, seconded by Legislator Schneiderman. All in favor? Opposed? Abstentions? **Tabled Subject to Call (VOTE: 4-0-0-1 Not Present: Legislator Romaine).**

INTRODUCTORY RESOLUTIONS

1629 - To readjust, compromise, and grant refunds and charge-backs on real property correction of errors by: County Legislature (Control No. 866-2011). (Co. Exec.)

I make a motion to approve and place and on the Consent Calendar, seconded by Legislator Schneiderman. We have -- Legislator Romaine is here. All in favor? Opposed? Abstentions? **Approved and Placed on the Consent Calendar (VOTE: 5-0)**

1695 - Amending the 2011 Operating Budget and appropriating funds in connection with bonding for settlements for liability cases against the County. (Co. Exec.)

I make a motion to approve.

LEG. D'AMARO:

Second.

CHAIRMAN GREGORY:

Seconded by Legislator D'Amaro. Counsel.

MR. NOLAN:

The resolution states that this is bonding settlements that I believe have been approved by the Ways and Means Committee in the amount of \$3,450,000.

CHAIRMAN GREGORY:

So it's more than one case?

MR. NOLAN:

It seems to indicate that it's two tort actions that have been settled.

CHAIRMAN GREGORY:

Legislator Romaine probably has some questions.

LEG. ROMAINE:

I do. I do have some questions about this. We are bonding three million dollars; is that correct? I see Mr. Brown is here. Can I direct my question to him? Mr. Brown, are we bonding three million dollars?

MR. BROWN:

Yes, on one case.

LEG. ROMAINE:

And how many cases is it?

MR. BROWN:

Two case in total.

LEG. ROMAINE:

Two cases in total. Can you give a kind of thumbnail sketch of what each case involved or what was involved in each?

MR. BROWN:

Sure. In one case there was an allegation of excessive force. And in the second case, it was --

LEG. ROMAINE:

Excessive force by the Suffolk County Police Department.

MR. BROWN:

Sheriff's Department.

LEG. ROMAINE:

Sheriff's Department. In what way; was the person incarcerated or what?

MR. BROWN:

Well, actually, we could have some discussion in Executive Session, if you would like, Legislator Romaine. As you know, I usually don't cover this committee, I have some more facts if you wish to discuss them in Executive Session. And the second case was an allegation of improper conduct by the Suffolk County Police Department.

LEG. ROMAINE:

One involved the Sheriff, not the Correction Officers -- the Deputy Sheriff or the Correction Officers?

MR. BROWN:

Correction Officer.

LEG. ROMAINE:

So it took place in jail; is that correct?

MR. BROWN:

That's correct.

LEG. ROMAINE:

Okay. And the other one was by the Police Department.

MR. BROWN:

That's correct.

LEG. ROMAINE:

We're paying out three million dollars. I'll tell you what I'd like to do, Mr. Chairman, maybe the next meeting we can go into Executive Session, and I will tell you why. If we are paying out that money -- and I'm sure we admitted no wrong in either case; is that correct?

MR. BROWN:

That's correct. Actually, sir, just to correct the statement, the first case, there was a trial and ultimately a settlement after the verdict.

LEG. ROMAINE:

And the verdict was? I mean, that's right in the court record. I assume it's a Supreme Court case, it's a matter of public record.

MR. BROWN:

Actually it was a federal court case.

LEG. ROMAINE:

Oh, a federal court case.

MR. BROWN:

It was a federal court case, the second case, yes.

LEG. ROMAINE:

Those records are public as well.

MR. BROWN:

Of course.

LEG. ROMAINE:

So we were found guilty?

MR. BROWN:

There was a liability verdict against the County, yes.

LEG. ROMAINE:

What I'd like to do at the next committee meeting is go into Executive Session, because obviously if we're found guilty, someone did something that they shouldn't have done, and I'd like to follow up to see what the actions were, one, of the Sheriff's Department, and two, of the Police Department regarding those allegations. That's what I'm saying. I don't want to do this now, because people probably have schedules, but maybe at our next meeting we could go into Executive Session, look at these cases and ask the various departments to come and explain what corrective actions, if any, they are going to take. This is three million dollars. I mean, you know, if we are paying out that type of money, I'd like to know if we're taking corrective action. You understand what I'm saying.

CHAIRMAN GREGORY:

I appreciate your concern. I'm sure -- and I can't speak with complete confidence, but I'm sure this

was vetted Ways and Means Committee, all questions, possibly some of the questions you have.

LEG. ROMAINE:

It's not a question about the case, it's a question of our follow up of what corrective action the Sheriff's Department and the Police Department is taking regarding this. And obviously, we have to get into detail, which means Executive Session. And then we would want the Police Commissioner and/or his representative and the Sheriff and/or his representative to come in and explain, you know, this is the facts and this is what corrective action was taken so we don't get sued again for these types of things.

By the way, if someone was guilty of inappropriate action, this was the action that was taken against the individuals involved. I want to know all those things, because what I want to make clear is if we're going to have liability issues of this magnitude, that there has to be follow up. Someone has to do it. I mean, I don't know of the Ways and Means Committee is doing it if it's more appropriate.

This is what I would suggest, Mr. Chairman. Why don't you talk to the Chairman of Ways and Means, Legislator Montano, and maybe their committee will take on that task as opposed to this one, and I will go to that committee as a guest and sit in on Executive Session?

CHAIRMAN GREGORY:

What I will do is I will reach out to the Committee Chair, ask him what questions, what information they were given that may pertain to some concerns you have. I agree with you that the case -- a practice like this -- or I should say incident, not a practice, and incident like this doesn't end at the conclusion of the court case, there is follow up as to what course of action has been taken to ensure that it hasn't continued.

LEG. ROMAINE:

I'm sure our Sheriff and our Police Commissioner have taken corrective action. If there's action against members of their staff for inappropriate actions on their behalf, I'm sure they have disciplined them accordingly. But rather than air that publically, I'd like to know in private to know that there is followup on this. You know, there should be a very simple message, your actions have consequences.

CHAIRMAN GREGORY:

Absolutely. All right. Legislator Schneiderman.

LEG. SCHNEIDERMAN:

First of all, I want to concur wholeheartedly with what you said, Legislator Romaine. I think it's our fiduciary responsibility to know that there's followup. It's very expensive, three million dollars, because of a few individuals or one individual's conduct. We want to make sure that, you know, there's proper training is in place, proper sanctions, whatever disciplinary actions are appropriate are taken. I have great confidence in those departments, but we ought to know any way. It's our responsibility to get that information.

I want to ask different question that's popped up, and maybe this is really for BRO. First of all, Robert, is this one bond that we're paying out the three million dollars or is this two separate bonds?

MR. LIPP:

Actually, it will probably be part of the fall serial bond issue, which covers like 120 different projects.

LEG. SCHNEIDERMAN:

Let me get to what my point is. Okay. One is the Sheriff, which is whole County; one is the Suffolk County PD, which is not, which is a Police District. Obviously, some action in the Suffolk PD

by an officer is going to cost the County a certain amount of money. I want to make sure that that service on that liability payment is being made by the Police District and not by the whole County. Can you confirm that?

MR. LIPP:

I'll check into that for you. I couldn't confirm it without checking into it. I tend to think that it wouldn't, but I'm not sure.

LEG. SCHNEIDERMAN:

I'm not sure either. I would like confirmation on that. Okay.

CHAIRMAN GREGORY:

Okay. Madam Clerk, do we have a motion?

MS. ORTIZ:

Yes. We have a motion and a second to approve.

CHAIRMAN GREGORY:

I'm sorry?

MS. ORTIZ:

Motion and a second to approve.

CHAIRMAN GREGORY:

IR 1695, we have a motion to approve and second. All in favor? Opposed? Abstentions?

LEG. ROMAINE:

I'll abstain.

LEG. SCHNEIDERMAN:

I may abstain too only because I don't have that information about whether it's being paid by the Police District or the whole County. Do we have enough votes to discharge?

CHAIRMAN GREGORY:

Yes. Just as followup, I will actually reach out to the Presiding Officer and maybe we can go into Executive Session on Tuesday, because I'm sure the rest of our colleagues may have similar concerns and questions.

LEG. SCHNEIDERMAN:

If you want to discharge it without recommendation, I would support that. I just want that basic information. All right. If you want to send it out with more votes.

CHAIRMAN GREGORY:

Approved (VOTE: 3-0-2-0 Abstention: Legislator Schneiderman & Legislator Romaine)

1705 - Adopting Local Law No. -2011, A Charter Law to implement Two-Year Rolling Debt Policy under 5-25-5 Law to mitigate budgetary shortfall. (Co. Exec.)

I make a motion to approve. Do I have a second?

LEG. MURATORE:

Second.

CHAIRMAN GREGORY:

Seconded by Legislator Muratore. Legislator Romaine.

LEG. ROMAINE:

Originally the title said a two year rolling debt policy. Now, Counsel, is this two years, is this one year, what period of time does this cover?

MR. NOLAN:

It amended to one year to cover 2011.

LEG. ROMAINE:

Okay. We are now in the eight month, middle of eight month. I'm -- you know, we have four and a half months left, September, October November and December. Four and a half months left by the time this is approved. Why do we need this policy now? Is there someone that can explain that to me?

CHAIRMAN GREGORY:

Well, in short -- I'll let the administration answer.

LEG. ROMAINE:

Right. These guys can do it.

MR. KOPP:

Good morning, Legislator Romaine. I was afraid you wouldn't make it this morning when I didn't see you there at ten. Nice to see you there. As you know, we have extraordinary fiscal challenges facing the County, many of them caused by external forces. We already used half a million dollars in the pay-as-you-go funds to make up for health cutbacks. There's six hundred thousand plus more remaining in pay-as-you-go. We will likely come before you with a resolution on that to make up for the cuts in the ME's Office and EMS Services that we have not yet addressed.

So this action is necessary so we can move forward with some important projects that DPW would like to move to forward with that are related to public safety. I think you could pick up on that end of it.

MR. HILLMAN:

Sure. There's three specific projects that we'd like to move forward with. One actually, we've already let, which is bridge painting. And we have presently approximately a million dollars. There are six bridges that we let in alternates. And we would like to award the full package, which was \$1.7 million. So we needed seven or 800,000 there plus construction inspection. But the interesting point to note is that the second bidder was, I think, 2.4 million. So the savings that we get by awarding the entire package in this fiscal environment where contractors are coming in very hungry would be extensive. So there's actually a very good cost savings there.

The other two projects are pavement markings. Right now, we have almost no money for special pavement markings. And the third project is guide rail, again, a public safety issue. So all three projects we feel are in best interest of public safety.

LEG. ROMAINE:

I'll dress this to Eric. Eric, could you explain what the 5-25-5 policy is, because when I hear numbers of 700,000 or 1.4 million, just explain what this policy is.

MR. KOPP:

The 5-25-5 policy governs projects with a five year useful life for \$25,000 total cost of the unit cost

of \$5000.

LEG. ROMAINE:

So by voting for this project, we would be voting not -- you know, things under 25,000 -- over 25,000 we can go out to bond. Under 25,000, by voting for this, we now can go to bond for things less than 25,000. Isn't that what this does?

MR. KOPP:

It does do that for the remainder of the year, yes.

LEG. ROMAINE:

Thank you. So we're not talking about \$700,000 or 1.4 million. We're talking for projects that cost less than \$25,000 we are now going out to bond. Let me just make that clear. So the projects that Mr. Hillman just discussed have no bearing on this resolution whatsoever. This is going to bond for things less than \$25,000; is that correct?

MR. KOPP:

I will have to apologize, Legislator Romaine, I was involved in a side-bar.

LEG. ROMAINE:

It's less than 25,000. All I would say -- I would raise that issue. And the other issue, Mr. Hillman, bridges do we have bridges that have to be painted every year?

MR. HILLMAN:

No.

LEG. ROMAINE:

How often do bridges get painted?

MR. HILLMAN:

Generally ten to 15 years.

LEG. ROMAINE:

And how many bridges do we have in this County?

MR. HILLMAN:

Seventy. And I'd just like to further --

LEG. ROMAINE:

And, of course, it doesn't pay for us to employ one person to paint these bridges as a County employee.

MR. HILLMAN:

No. It's -- there's environmental criteria that we need to adhere to; sandblasting. It's a little more complicated than just a brush and a can of paint.

LEG. ROMAINE:

Right. Okay.

MR. HILLMAN:

But I would like to just point out two things. We are -- DPW is working extensively with the Budget Office. We feel that the three projects that are critical to us that are presently in the {G to B} Program don't belong there, and we're working to get them out in the future. Bridge painting,

again, it doesn't really fall within this category of --

LEG. ROMAINE:

Under \$25,000.

MR. HILLMAN:

Yeah. It's millions of dollars, and it over -- you know, it extends the life the bridge for ten to 15 years. So it doesn't really meet the criteria nor does -- the painting's good for ten to 15 years. Guide rail, as long as it's not hit, it's indefinite; you know, 20, 30, 40 years. Pavement markings, their general life, depending on the volume of the roadway, it can be three years, but there are other intersections out there that can be seven, eight years before we have to go back. So it's a little bit more vague, but our position is that in general, the pavement markings last over five years.

LEG. ROMAINE:

But whether we adopt this or not, what you just argued is the contrary, because if we don't adopt this, you can still do your projects, can't you?

MR. HILLMAN:

Right now in the Capital Program, they are identified as {G to B}, so this particular year, we need this waiver to be passed so that we can move forward with our three projects, because that's the way they're identified in the Capital Program.

So in the future, these public safety projects, again, we're working with the Budget Office to hopefully remove them from the {G to B} Program.

LEG. ROMAINE:

But each of these projects are more than \$25,000 and, therefore, will not be limited, and you certainly can go to bond over \$25,000. This allows you to go to bond for under 25,000. None of the projects you've discussed are under \$25,000. And they all have a more useful life than five years.

MR. HILLMAN:

I apologize. I can't speak to that.

LEG. ROMAINE:

Perhaps Robert can speak to that.

MR. LIPP:

There's actually an extended definition of pay-as-you-go, which includes to try to include in the Capital Program recurring projects; things that we do all the time and to try to expand what would be paid for with cash or pay-as-you-go.

That being said, as Mr. Hillman stated, in the Capital Program, we're talking about projects that are financed as G money or pay-as-you-go money, which is GB for General fund transfer, so that's cash as opposed to B money, which is serial bonds. That could still technically be passed, but you would be changing the financing, it would require 12 votes, it would be a heavier lift.

LEG. ROMAINE:

Which still could be done even if this policy wasn't in place, yes or no?

MR. LIPP:

Yes, but you --

LEG. ROMAINE:

I think there's 12 votes for painting brings. I think there's 12 votes for guardrails. I think there's 12 votes for, you know, pavement markers.

MR. LIPP:

The problem is the Operating Budget was sort of disconnect with the Capital Program there that there's really not sufficient G money in there, so there's an inconsistency. So one way to look at this resolution is bridging that gap to say, well, you know, the Operating Budget wasn't going to have the cash to pay for this stuff anyhow, so let's put this resolution in place to do that.

LEG. ROMAINE:

I won't bore the committee, but what I'd like you to do at some point either by telephone call or e-mail is discuss with me those inconsistencies, because I'd like to know how there's a disconnect between the Operating and the Capital and how these inconsistencies occurred. Okay? I'd like to better understand that, because, you know, perhaps my simplistic understanding needs some tooling up. So I would expect that.

The last point I would make is, I do want to support these projects, but I don't want to support for four and a half months through repeal of this law that has been in place. But let me ask you this: Are there a number of capital projects that we have where we have put them in the capital project, we have appropriated the money, and the money and the project is ready to go and it stalled out somehow, some people would say by executive fiat? Are there a number of those projects that exist currently today? I'm talking to you, Robert.

MR. LIPP:

I don't have a specific number, but it's always the case. Capital projects get adopted over the years. There's actually a load of those passed in 2002 --

LEG. ROMAINE:

But I'm talking about appropriated projects.

MR. LIPP:

Yes.

LEG. ROMAINE:

The reason I ask this is, as Counsel well knows, I've asked the Counsel to draft legislation to prevent the empowerment of capital funds by the Executive alone. When we adopt the Capital budget, when we appropriate money, we expect that project at some point to begin. We don't expect the Executive, any Executive to impound those funds, to say, well, you know, we've gone through the process, the Legislature put it in the budget, the Legislature appropriated it, I may have even approved it along the way, but guess what, now I don't want to do it. And by whim of one branch, a project that is legitimate, that has been funded, that is supposed to start is stopped. That's what I'm concerned about, because if you are going to not do a project like that, come back to the Legislature explaining your purpose. But there is no feedback to us. How many projects fall into that category?

MR. LIPP:

There is a resolution that was passed, for instance, in 2002 that has a five-year rule. If we haven't advanced at all within five years, then the project is supposed to be rescinded. Also --

LEG. ROMAINE:

So essentially what we're giving is we're giving the Executive who can impound funds a super veto. So even if this Legislature wants some capital project done, even if they appropriate the money to

get the project done, the Executive can say, don't do the project, and it doesn't get done. And in five years the project disappears; is that correct?

MR. LIPP:

That's one scenario, definitely. Another scenario would be that if that was case, then we would have the ability also to -- although I haven't seen that yet -- to reauthorize the funding.

CHAIRMAN GREGORY:

Connie or Eric, do you have a comment?

MR. HILLMAN:

I can speak to this topic from the highway standpoint, and I think Jim Peterman can speak to it on the larger issue from DPW. But every time the department asks for funds, if they believe a project is ready, in my seven years, I've never had an instance where the County Exec's office has not provided with those funds. We, as a department, identify when a project is ready to move forward. We then will request the money through a resolution, that ultimately gets laid on the table, and then this Legislature votes on that.

It's been my experience in seven years that every time I've asked, okay, County Road 7, for example, which is coming up in the next Legislative -- DPW Committee this afternoon. Those plans are ready to go, we've requested the money, it's being laid on the table. It's a six and a half million dollar project. So my personal experience has been that every time we've asked for the money, it's been there.

Speaking to the five-year rule, that would be more of a department issue in my eyes. If we appropriate -- at times, things get appropriated a little too early in the process, and then it takes two, three, four years. Five years on the outset is difficult. If the department hasn't achieved something in five years, it's probably more on us than it would be the Executive's Office. That's just my view.

CHAIRMAN GREGORY:

Thank you for your response. I think we're kind of getting afar afield from the 5-25 Law. I mean, granted the issue of projects aspiring, if you can use that term, is an issue. And actually, Legislator Romaine put in a bill to address how the reporting of those projects come to us, but the 5-25 issue is totally and separate and apart from that. I am concerned that we are taking monies from pay-go to pay for projects that should be bonded. Now, if the reasoning was that we don't want to increase our indebtedness through bonding, then say that. I think that's perfectly okay. But to say -- and also, I think what was stated privately was that we don't have any anticipated use of smaller projects to use as funding for. If this is the case, I think that's a legitimate reason as well.

But to -- I understand where Legislator Romaine is coming from. We're using pay/go funds for projects in excess of the statutory limits in the neighborhood of 700 800, and I think, one and a half million dollars, right? One was 700,000 --

MR. HILLMAN:

The three projects that we are progressing, yes, they do add up to -- the guide rail is 180,000, the pavement marking 325, and the bridge painting is well over a million. But the purpose of this is it waives the ability or the requirement that we use pay-go money and it allows us to bond them, and that's what we're requesting the ability to do. And the department believes that these projects should be bonded from the get go anyway. They should not be in the pay-go program. And we are only asking for that ability to pay for them with serial bonds.

CHAIRMAN GREGORY:

Okay. So these projects are in the --

MR. HILLMAN:

They're in the Capital Program presently as G, G-Funded projects. This waiver allows the County to then finance these with serial bonds. But we need the waiver to do that. If we don't get the waiver, I don't get money to paint bridges, put up guide rails or put in pavement markings. Without the waiver, I can't do it.

CHAIRMAN GREGORY:

Legislator D'Amaro.

LEG. D'AMARO:

Thank you. I want to ask BRO, how much was adopted into the pay-go line in the 2011 Operating Budget?

MR. LIPP:

I'll have to get back to you on that and take a look. I know that we had recommended --

LEG. D'AMARO:

How much was adopted? Can you get that for me now, please? Thank you.

MS. CORSO:

One point one million.

LEG. D'AMARO:

One point one. Thank you. How much of that has been expended to date and on what?

MS. CORSO:

Five hundred thousand was expended for John J. Foley expenses.

MR. LIPP:

It was used an offset for another project.

LEG. D'AMARO:

So there's still --

MR. LIPP:

It's not capital.

LEG. D'AMARO:

Okay. So there's still 600,000 in that line.

MR. LIPP:

Presently; is that correct?

MR. LIPP:

Correct, yes.

LEG. D'AMARO:

Okay. Thank you.

CHAIRMAN GREGORY:

Legislator Romaine.

LEG. ROMAINE:

Yes. What I don't understand is the relation of 1705 to the three projects that you spoke about, Mr. Hillman, and maybe, you know, I'm obtuse and very possible, because what I think is if these are G funds, even if we do this waiver, I would think you would need a resolution to put these forward to bond them out anyway. And the only difference is whether you need ten votes or 12 votes. I can't imagine that this Legislature would turn down basic projects like that. I think you would have 12 votes for this project. And you don't have to waive the 5-25-5 Rule because it not only applies to your three projects, but it applies to anything under 25,000 that we're now free to bond until the end of the year. I'm reluctant to do that.

MR. LIPP:

Point of information. I might have misstated something or led you to believe that. In reality, the fact of the matter is although it's true that you could change financing with 12 votes, the problem here is that it would conflict with a Local Law. If you don't suspend this Local Law, then you would not be in compliance with it, and you couldn't change it with 18 votes.

LEG. ROMAINE:

But with ten votes we can -- we can suspend the 5-25-5 policy.

MR. LIPP:

Correct.

LEG. ROMAINE:

And that's what you are looking to do. Okay. I got it.

CHAIRMAN GREGORY:

Legislator D'Amaro.

LEG. D'AMARO:

Just to follow up on Legislator Romaine's thought. Instead of waiving as an option, instead of waiving this, it is possible just to amend the budget to make those projects you're speaking to permissive for bonding? You can't do that?

MS. CORSO:

No, you can't do that. What you would have to do is you would have to find operating funds. We don't really have any operating funds. I just wanted to kind of tag on your last comments, we have six --

LEG. D'AMARO:

No. I don't mean -- right now, you're saying --

MS. CORSO:

That's the only way you can do it.

LEG. D'AMARO:

Right now, you are saying the budget, the way it's written, requires this to be funded through cash, pay-go. So -- and that's because it's designated as such in the budget. What if we amended the budget to designate it for bonding?

MS. CORSO:

Because it was designated, you'd have to waive the County's policy. If we put these out to bond,

you'd be in violation of the County policy.

LEG. D'AMARO:

Even if we amend the budget?

MS. CORSO:

It's a Catch 22. It doesn't matter. We have a Local Law that says you have to abide by 5-25-5. So even if you, you know, compel us to bond it, we can't, because we'd be in violation of our Local Law.

CHAIRMAN GREGORY:

Counsel.

MR. NOLAN:

I mean, the 5-25-5 Law has a definition of recurring expenses. And I don't know that these projects fit that definition of recurring expenses. The law says we cannot bond recurring expenses. It seems that Bill Hillman is saying these are really not recurring expenses, these are capital projects. I don't think it matters how we characterize it in the Capital budget. The law just says we can't bond recurring expenses. And the department's position is these are not recurring expenses, then they could be bonded.

MS. CORSO:

I understand that. But because they have that designation in the Capital Program -- I mean, I don't have Counsel here. I'm not a lawyer, I can't -- I can't speak to it. But this is something we've been doing for the last several years, so we're just following protocol. If you feel that there's a different way for us to get to get these projects done, all we really care about is getting the money to have these projects done.

MR. NOLAN:

I personally don't, off the top, think you need a waiver, because they're not -- if they're not recurring expenses, then you can bond them. I don't think it matters how they are characterized in the capital -- if we're intending to pay for them with cash, it doesn't matter. If you're going to change the method of finance, that might require 14 votes instead of 12, but I still say you don't need a waiver.

CHAIRMAN GREGORY:

How about we do this. How about I change my motion to approve to a discharge so we get it to the floor, and then we can -- you guys can check with your Counsel, and if need be, you guys can do a CN? Is that all right? So, Madam Clerk, I will make a motion to discharge without recommendation. Do I have a second?

LEG. D'AMARO:

Second.

CHAIRMAN GREGORY:

Seconded by Legislator D'Amaro. And you had a question.

LEG. D'AMARO:

Yes. Just going back to the -- two things. First of all, if we can somehow bond this without passing this, is that sufficient for you?

MR. HILLMAN:

It would be sufficient for us at Highways. Jim, is there any other projects?

MR. PETERMAN:

It would be sufficient for Public Works.

LEG. D'AMARO:

Okay for Public Works. And the second question is, is there any reason why we shouldn't use the pay-go money, you know, knowing what we know sitting here today, the budget situation, that we shouldn't use the pay-go money for pay-go? Is it earmarked for something else?

MR. KOPP:

Well, as I eluded to earlier in my testimony here is that we're intending to bring over a resolution to do with the other cuts in EMS and the ME's Office that we haven't addressed yet.

LEG. D'AMARO:

Okay. So that might become part of that. Okay. All right. I'll certainly support the discharge motion, I'll second that motion.

CHAIRMAN GREGORY:

Legislator Romaine.

LEG. ROMAINE:

Just one last question. Is there any news on the ongoing negotiations with the State regarding the health cuts? We haven't been brought up to date as a committee on that. And obviously, since you have raised the issue that you're going to come over with a CN on the Medical Examiner's Office --

MR. KOPP:

Nobody said CN.

LEG. ROMAINE:

Okay. You're going to come over with a resolution regarding the Medical Examiner's Office. Could you advise us where we are with these health cuts; how are negotiations going with the State Health Department and the State in general?

MS. CORSO:

I just want to clear one thing up and then I will tell you. The Medical Examiner and the EMS cuts from July 1st forward are -- they are not going to be restored. Those are changes in the New York State Budget that removed that funding. As far as an update on the health centers, very intense negotiations with New York State. I can't tell how many times we've been told not to discuss, but we should have an update for you shortly. And as soon as we know, we will let you know.

LEG. ROMAINE:

Thank you.

CHAIRMAN GREGORY:

Okay. Let's vote. If there are any other questions, we'll ask questions after the vote. We have a motion and a second. All in favor? Opposed? Abstentions? **DISCHARGED WITHOUT RECOMMENDATION (VOTE: 5-0)**

All right. That's our agenda. Legislator Schneiderman, you had a question.

LEG. SCHNEIDERMAN:

Yeah. Either for Connie or Eric. Do you know, are there any efforts underway to privatize any

other functions of County Government right now; discussions with vendors or contractors? In particular, somebody had mentioned to me that there were some people going through the jail looking at the Medical Examiner within the jail, some private contractors?

MS. CORSO:

Yes. There is an RFP that out -- there is no decision that has been made -- to look at -- because we have never run a 24/7 facility. The Yaphank, I believe, will have a 16-bed, 24/7 infirmary now. And it's something the County has never done nor do we have the staff to do it currently. So all we are doing is getting proposals to see and doing a comparison of how much it would cost to do County staff, how much it would cost to do an outside vendor, but no decision has been made. You would certainly be briefed on something like that. But I think the County has to do its due diligence to look at what it's going to cost to do a 24/7 operation at that facility.

LEG. SCHNEIDERMAN:

Did we, as a Legislative body, discuss that RFP, or is that something that's gone --

MS. CORSO:

I believe that all the RFPs go to the Clerk. I know we have a new process --

LEG. SCHNEIDERMAN:

So it was just basically solely through the County Executive? Because, you know, we've been put in a position several times now where RFPs were done, and then either the closure or transfer or privatization of the facilities stuck in the budget.

MS. CORSO:

We have no intention --

LEG. SCHNEIDERMAN:

With the savings programmed, and then we're -- you know, our backs are against the wall.

MS. CORSO:

I understand what you're saying. This was brought up at some point in some of these health center discussions about what we would be doing, but remember, we would -- if that was a decision that the County made, we'd have to do A9-6, we'd have to do the hearings, we'd have to come before you with the proposal. We also have to show that there's savings from the -- from using County staff to using a vendor. So this would be total -- you know, you would totally be in the loop. We're only trying to assess what it is going to cost -- I mean, this jail is a disaster for this County between what it cost us to build it, what it's going to cost us to staff it. And now to have to run a 24/7 infirmary, it's just compounding all these budget issues that we have. But you will certainly be in the loop. Believe me, you know, we've all learned during the past year that, you know, transparency is important. And as soon as we know -- I think you have somebody on the committee for that RFP, so you will be completely briefed. There's not going to be any surprises here.

LEG. SCHNEIDERMAN:

We often get briefed though, at the 11th hour when it's really too late to go a different direction. We want to be in the loop, early on in the loop. I'm going to pass to my esteemed colleague from the North Fork area, from the 1st Legislative District. Ed.

LEG. ROMAINE:

With the Chairman's permission. Jay, thank you for setting the table for me. You did a great job. We should go on the road as an act.

MS. CORSO:

I'm going home.

MR. KOPP:

You're not going home.

LEG. ROMAINE:

Suffice it to say, those issues could have been resolved if this Legislature -- and I'm asking Counsel now to reintroduce my bill that said we must be notified and must approve any RFP that goes out that involves more than \$50,000. Because if you want to have some control over County Government, over policy, because the RFP has been used to make policy and circumvent the Legislature, it's also been used to control fiscal policy, pass my bill; 50,000 or more. Not any of the small ones, but the big ones require Legislative approval. And people say, "Well, that will delay the whole process." No, it won't. It will give us oversight.

Let me tell you, Jay, you sat here -- on May 31st at the Budget and Finance Committee and you went to Dr. Tomarken about the Certified Home Health Agency, and he said, "No, we're doing a study. You are going to see that study, there will be plenty of time. And once you see the study" -- and it's verbatim minutes. He said once that study is debated, then we could decide whether to do an RFP. Four weeks later, the RFP was out and the study wasn't.

What does that say about this Legislature or its oversight responsibility or its ability to control what we do? RFPs are not only used for purchasing, they're used as a backdoor way to set policy for this County without the approval of this Legislature. And then we're confronted with a last-minute choice just like you said. So, Counsel, my bill, if you could reintroduce it again, submit it to the Clerk, I'd appreciate it. I think we'll meet the deadline to lay it on the table.

MR. NOLAN:

I can't wait.

LEG. ROMAINE:

Absolutely.

MS. CORSO:

I have something to say. Just so you know, I just got a note that Budget Review Office did review the Jail Medical RFP before it went out.

LEG. SCHNEIDERMAN:

Ed, I want to remind you, too, that I also submitted a bill, a slightly different bill that said you could not, in a budget, shut down a major County function or privatize that function without a companion resolution from the Legislature agreeing to do that. So if it's reflected in the budget, it also would have to be reflected in a separate companion vote. But that bill also went nowhere.

LEG. ROMAINE:

Reintroduce it and we'll make the argument together.

LEG. D'AMARO:

If I could jump in. I have a request then of the Clerk. If those bills are reintroduced, can you provide all of the minutes relating to the debate on both of those bills? Because I don't want to sit here for another four hours and have the same debate again over and over and over again. I appreciate the fact that you want to try and change some policy in the County and all of that, but, you know, both of these bills were extensively debated and did not get enough support to pass

through the Legislature. So I think we should also attach all of the germane minutes from when they were considered in the past to make it just a little bit easier for me and everyone else on this Legislature to get through these bills again.

CHAIRMAN GREGORY:

All right. So everyone is good. We're finished? All right. We are done and we are adjourned.

MR. KOPP:

Thank you all for your time.

(*THE MEETING WAS ADJOURNED AT 10:51 A.M.*)