

**ECONOMIC DEVELOPMENT & ENERGY COMMITTEE
of the
SUFFOLK COUNTY LEGISLATURE**

Minutes

A regular meeting of the Economic Development & Energy 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 **Friday September 7, 2001.**

MEMBERS PRESENT:

Legislator Jon Cooper - Chairman
Legislator Andrew Crecca - Vice-Chairman
Legislator Ginny Fields
Legislator Martin Haley

ALSO IN ATTENDANCE:

Paul Sabatino II - Counsel to the Legislature
Gerard McCreight - Aide to Legislator Cooper
Linda Bay - Aide to Presiding Officer Tonna
Todd Johnson - County Executive's Office
Gordian Raacke - CAP
Alice Amrhein - SCDED Commission
Peter Quinn
All other interested parties

MINUTES TAKEN BY:

Donna Barrett - Court Stenographer

(*THE MEETING WAS CALLED TO ORDER AT 2:50 P.M.*)

CHAIRMAN COOPER:

I'd like to welcome everyone to the September 7th meeting the Economic Development and Energy Committee. Legislator Crecca, if you could lead us in the Pledge, please.

SALUTATION

CHAIRMAN COOPER:

We have no speakers that have filled out cards, so we can move right to the agenda.

TABLED RESOLUTIONS

IR 1531-01 (P) To establish Eco-Tourism Task Force to evaluate the potential of an Ecologically-Based Tourism Industry on Long Island.
(TONNA)

CHAIRMAN COOPER:

At the request of the sponsor, I'd like to make a motion to table this resolution again.

LEG. HALEY:

Second.

CHAIRMAN COOPER:

All those in favor? Opposed? IR 1531 is tabled.
TABLED (VOTE: 4-0-0-0)

IR 1602-01 (P) Directing County Department of Public Works to prepare Co-generation RFP to County facilities in Yaphank. (CARACCIOLO)

CHAIRMAN COOPER:

Is there a motion? I make a motion to table.

LEG. CRECCA:

Second.

CHAIRMAN COOPER:

All those in favor? Opposed? 1602 is tabled. TABLED (VOTE: 4-0-0-0)

IR 1790-01 (P) Local Law to establish Lamp Light Conservation Policy to conserve energy. (COOPER)

CHAIRMAN COOPER:

I make a motion to table.

LEG. FIELDS:

Second.

CHAIRMAN COOPER:

All those in favor? Opposed? 1790 is tabled. TABLED (VOTE: 4-0-0-0)

SENSE 64-01 (P) Memorializing Resolution requesting Long Island Power Authority (LIPA) to issue master plan for proposed power plants. (BINDER)

CHAIRMAN COOPER:

Is there a motion?

LEG. HALEY:

Motion to approve.

LEG. CRECCA:

Is there a reason why we're holding this one at this point? Because I know this is something that we all wanted to do. Counsel, if you have a copy of it, maybe you can give us a little synopsis. It's been a while since we looked at this one.

MR. SABATINO:

I think the reason it was tabled last time was only because there was so many speakers that came down, and there was a discussion between two competing bills, but this is the one that asks LIPA to fulfill its obligations under the -- I think it's section 1020 G or H of the LIPA statute to develop the master plan, which is --

LEG. HALEY:

1020 G, H and I.

MR. SABATINO:

H and I. Okay, I'm sorry.

LEG. HALEY:

You're slipping.

MR. SABATINO:

I'm losing my edge, a couple of gray hairs.

LEG. CRECCA:

I wasn't going to vote. Now that it has the I in it, I'm all for it.

MR. SABATINO:

The concept is that it would develop -- it would request them to fulfill their obligation to develop that plan, which is supposed to be the blueprint for power and energy work that's done on Long Island.

LEG. FIELDS:

I'll second the motion.

LEG. HALEY:

Thank you.

LEG. CRECCA:

I'll second the motion.

LEG. FIELDS:

I seconded it.

LEG. CRECCA:

Did you just do it? I'm sorry, I didn't hear you.

CHAIRMAN COOPER:

Thank you. All those in favor? Opposed? Sense 64 is approved.

APPROVED (VOTE: 4-0-0-0)

INTRODUCTORY RESOLUTIONS

IR 1801-01 (P) Appointing Peter Quinn at the member of the Suffolk County Industrial Development Agency. (POSTAL)

CHAIRMAN COOPER:

Peter, would you be free to come up to address the committee?

MR. QUINN:

Sure.

CHAIRMAN COOPER:

Welcome. Would you like to, number one, explain why you would like to accept this appointment.

MR. QUINN:

Well, first of all, I've been before the Legislature a number of times commenting about various aspects of the IDA, and I thought that the Legislature perhaps was not being given enough oversight of their activities. But my history involved with the IDA goes back to several years ago. Computer Associates, for example, was given these two IDAs, as I recall. They have since laid off a number of workers, and they're three principle officers had taken over a billion dollars out of the company. And it just seemed to me that we're dealing with our taxpayer dollars. And to some extent I thought perhaps those dollars were being misused. If there was no oversight to say that the agreement to receive various funds; tax abatements, sales tax relief, mortgage transfers tax relief, that it was incumbent upon those businesses to create and maintain jobs.

The substance of any contract with the County is that those companies should create or maintain jobs. And it turns out that some of them haven't. But I suppose my greatest criticism came with the IDA to

Olsten Corporation, the part time agency in Melville. They were given a tax abatement. At about the same time, there was an employee, an officer in the company, who was claiming glass ceiling discrimination. She won \$5 million from that company at the same time that the IDA was awarded. Shortly thereafter, Olsten arranged to purchase two part-time agencies in Puerto Rico, and I thought to myself, what on earth are we doing with our tax dollars under that kind of business argument. Subsequently Olsten joined forces with Oxford, the HMO, and then Oxford proceeded to cheat people who were providing -- paying premiums to the company. The federal government became involved, and the federal government sued and won an Oxford had to pay \$61 million --

LEG. FIELDS:

Mr. Quinn?

MR. QUINN:

-- as a penalty. And I thought under the circumstances, the Suffolk County Legislature needed someone who might serve on that agency to bring to the Legislature information about such activities. Yes.

LEG. FIELDS:

I'm somewhat aware of your background -- and maybe it's just me -- but did you include or did anyone include a resume or anything from you giving your background associated with this appointment?

MR. QUINN:

No, I wasn't asked to.

LEG. FIELDS:

Do you think that -- I'm going to make a motion to approve, but I would ask that you include that for Tuesday's meeting.

MR. QUINN:

Sure. I'd be happy to.

LEG. FIELDS:

So the full Legislature will have an example of all of the things you've been involved with.

MR. QUINN:

I've been a high school English teacher for 35 years. I retired 10 years ago, and so -- but I've been active in government activities for a number of --

LEG. FIELDS:

Right. That's what I'm saying. If they could just attach it to the actual resolution for Tuesday.

MR. QUINN:

Okay. Fine.

CHAIRMAN COOPER:

Would you like to --

MR. QUINN:

I'd be happy to respond to any questions.

LEG. CRECCA:

I have a question for Counsel. This isn't -- this is replacing

someone else or is this a vacant position?

MR. SABATINO:

This would replace George { Andreozzi}.

LEG. CRECCA:

Does anyone know -- because my understanding is that he's still an active member of the IDA and has been there for a long time. I know he's from Smithtown.

MR. SABATINO:

I don't know what his current situation is in terms of attendance, but these are all "serve at the pleasure of", there are no terms of office. So it's not a question of like, a term has expired.

LEG. CRECCA:

Right. No. I just know that he's been there --

MR. SABATINO:

They all serve at the pleasure of.

LEG. CRECCA:

Unless Alice, would you mind stepping up to the mike for a moment.

MS. AMRHEIN:

Yes.

LEG. CRECCA:

Has that person retired -- tended his resignation or anything like that?

MS. AMRHEIN:

I'm sorry.

LEG. CRECCA:

Has that person tended his resignation or anything?

MS. AMRHEIN:

No, he's still an active member of the Board, and he does have a good attendance record, attending most of our meetings. And we do have a very active IDA board.

LEG. CRECCA:

Okay. Thank you, Alice.

MS. AMRHEIN:

We have submitted our reports to the Legislature as requested.

LEG. CRECCA:

Thank you.

CHAIRMAN COOPER:

Well, I think I would make a motion to table this resolution until the next meeting so we can have a chance to review your resume. Also, I haven't had the opportunity to speak to the sponsor regarding this. So I think I'd make a motion to table it for one cycle. Okay. Is there a second? We'll go back to your motion to approve. Is there a second on that motion?

LEG. FIELDS:

Then I will second the motion to table.

CHAIRMAN COOPER:
All those in favor? Opposed?

LEG. HALEY:
Opposed.

LEG. CRECCA:
Opposed.

CHAIRMAN COOPER:
Okay. Peter, thank you very much for coming down.
FAILED (VOTE: 2-2-0-0) (LEG. HALEY, LEG. CRECCA; OPPOSED)

IR 1881-01 (P) Allocating Downtown Revitalization Funds. (Phase III)
(COOPER)

LEG. HALEY:
Motion.

CHAIRMAN COOPER:
Thank you. Motion to approve.

LEG. HALEY:
Second.

CHAIRMAN COOPER:
All those in favor? Opposed? 1881 is approved.
APPROVED (VOTE: 4-0-0-0)

IR 1883-01 (P) A Local Law adopting an Amended Targeted Business
Investment Real Property Tax Plan. (CO. EXEC.)

CHAIRMAN COOPER:
Is there a motion? I'll make a motion.

MR. SABATINO:
It's a public hearing, Mr. Chairman, so you have to table it one
cycle.

CHAIRMAN COOPER:
1883, all those in favor? Opposed? 1883 is tabled.
TABLED (VOTE: 4-0-0-0)

IR 1887-01 (P) Directing the Suffolk County Energy Advisory Committee
to develop an Energy Master Plan. (FISHER)

CHAIRMAN COOPER:
Can we have a little bit of an explanation of this, please.

MR. SABATINO:
This is Legislator Fisher's proposal to direct the seven-member
Suffolk County Energy Advisory Committee, which is already in place to
develop a master energy plan by December 31, of 2002.

LEG. FIELDS:
Motion to approve.

CHAIRMAN COOPER:

Second that motion.

LEG. HALEY:
On the motion.

CHAIRMAN COOPER:
Yes.

LEG. HALEY:
I'm just trying to -- I'm wondering whether this is good. It would be a shame if LIPA decided to live up to their responsibility and create a master plan, then we wind up with a master plan that could be substantially different. I mean, the second problem I have is with this particular group here, while they seem to have sufficient backgrounds, I can't imagine how anybody is going to come up with a master plan with expenditures not to exceed \$3000. So I don't know really what -- what's the sum and substance of a real energy plan? From a policy perspective, are they going to say, you know, let's have an approach to a master plan? I don't think how they're going to develop it. I don't know if this legislation gives them the tools necessary to come up with a master plan. I don't think it's something that easy.

LEG. CRECCA:
Can I ask -- I'm going to interrupt, Marty, if you don't mind and just ask -- because I'm not really sure. I don't know too much about the group that's stated in the legislation. So I would leave that open to anybody to explain, either another Legislator or Counsel, if you know. I know it's not something necessarily in your domain, but it's the Long Island -- the committee composition.

MR. SABATINO:
Last year you passed a law to revise the composition of that committee. That was something that was addressed in the course of last year, but the actual -- it used to be called something different. It was on the books for about 10 or 15 years. Last year you revised it to give it a, you know, slightly different focus and different composition. This legislation is asking that group now to undertake the study. It makes reference to --

LEG. CRECCA:
But is it the committee? I'm a bit confused. Is it the existing committee or a new committee that's being formed?

MR. SABATINO:
The committee -- this particular committee has been on the books for about 15 years, but last year you streamlined it. I think it used to have 15 members, and it was called -- it had a different title, it was called the Solar Energy Committee. So you changed two things; one, you made it broader than just solar energy, you made it deal with all energy issues for the County of Suffolk, and you streamlined the membership from, as I recall, I think it was 15 or 17 down to seven. In theory, at least in the abstract on the books, this is supposed to be the group of people that gives Suffolk County Government advice and assistance in developing energy policies. This would take it one step forward to actually ask -- well, direct them to do something by December 31, of 2002.

LEG. CRECCA:

First of all.

CHAIRMAN COOPER:

You have the Chairperson here. Alice, I think you are the Chairperson of the committee, correct? Would you like to come up?

LEG. HALEY:

While she's coming up, can I make a comment, Mr. Chairman?

CHAIRMAN COOPER:

Yes. Please.

LEG. HALEY:

Are we -- are we of services that are duplicative then? If this group here that's been in operation for a while, why can't they provide the same services that CAP provides?

CHAIRMAN COOPER:

Well, we have --

LEG. HALEY:

I'll ask that of Alice.

MS. AMRHEIN:

I'm actually the County Executive's representative to the Energy Committee, which was established last year. However, the committee itself elected me the Chair. And it does have a representative from the Presiding Officer, from the County Exec's Office, Labor, Public Works. There's a representative from the historic group from East Hampton, a representative from the Brookhaven National Lab, Mr. Raacke attends as an advisor, Mr. Quinn has been attending the meetings as a public citizen. And we have had three meetings, now we have another meeting in two weeks, and this issue -- I received a copy from Legislator Fisher, and I think that the master plan fits into the purpose of the committee, because we have been developing mission statements and an agenda for our activities. We've already had LIPA come in and do a presentation on their energy program. I agree with Legislator Haley that it is possible that if we are to develop a real master plan, we may need some outside consulting help to even -- like -- because if LIPA comes up with a master plan, there is still the question of reviewing that master plan and determining if it's actually accurate. And that's where we might -- they've given us some information already on what their projections are for future needs, but someone has to really review that to determine if their projections are accurate. And we also have to look at the economy in Suffolk County, and come up with a long-range forecast on how we believe our economy is going to go; are we going to continue to grow at the rate we've been going, is it going to slow down, because that will also impact our electric needs.

CHAIRMAN COOPER:

Alice, I think that Legislator Haley's question was more whether the seven members of this committee have the expertise and the time and the resources to develop a master energy planning on your own as opposed to reviewing the plan -- that will hopefully be presented in the not to distant future by LIPA -- the way this is drafted, it's empowering you to develop your own plan.

MS. AMRHEIN:

Well, I think I'll have to wait till they go to the next committee to

ask the meeting members how they feel, but I think what we've been doing already is we're reviewing all the alternative sources of energy to determine what direction we should -- we have to submit a report anyway on our activities, but what direction should the future energy needs of Suffolk County follow? You know, is it going to be a combination of gas, propane, biomass, windmills? So we're looking at everything right now. But as I said, I don't know -- you know, I think the people from the STAR Group, from the Brookhaven Lab, I think they have the background in certain fields of energy. The thing is I'm not sure anyone on the committee has the expertise in every field, but that's where I think we can call in other people in Suffolk County to help us.

LEG. HALEY:
Mr. Chairman.

CHAIRMAN COOPER:
Yes.

LEG. HALEY:
How cooperative has LIPA been?

MS. AMRHEIN:
I wrote them a letter, I asked them to come to the meeting, they sent their Vice-President, I think for operations, with another person in. They did a presentation, they handed out a report, and they -- you know, right know our role is we're reviewing the report they sent us, and that's what we're going to be talking about at our next meeting.

LEG. HALEY:
My concern is rather obvious, that, you know, we don't have parallel efforts, and to a point where they finally are so far apart that it will eventually become -- start off on a tangent, I should say, and become so far apart that we wind up with a big debate over whose master plan we're going to use. Whereas, it seems to me that, first of all, LIPA has a distinct responsibility to create one. All right. And they have an awful lot of resources. I think that the problem is we don't trust LIPA. That seems to be the feeling, that we don't trust LIPA to do that which they've been required to do and create a master plan for us, as a County, whether it's the County of Nassau or Suffolk to look at and be able to pass some sort of judgment on it. So instead, we're going to say, you know what, we're not going to trust -- in essence anyway -- you're not going to create a master plan so we're going to create one ourselves. I would imagine, and I'm really concerned about our capabilities of doing that, and there's no doubt in my mind that in some point in time this particular group is going to find out that they don't have the ability, and they're going to come back and ask for assistance. And the problem I have in this particular resolution -- and perhaps Counsel, if he wants to, you know, make a comment, I'd appreciate it -- it says "in course of developing the master plan, the committee shall consider any conclusions and/or recommendations made by any town located within the County of Suffolk, as well as any master plan generated by Nassau County. The committee shall also" -- do you know if they are working on a master plan?

MS. AMRHEIN:
I have not heard of Nassau doing anything with energy.

LEG. HALEY:

I wouldn't imagine they would be. "The committee shall also consider and evaluate any report and recommendations issued by the Long Island Sustainable Energy Alliance, the Citizens Advisory Panel, and/or the Long Island Power Authority." I would hope that that could be, you know, obviously, open ended that they will consider and evaluate any report or recommendations presented to them by anybody of substance within this particular County.

The second problem I have is that there's particular recommendations made by Citizen Advisory Panel, and you would come back to us say in three months and say, listen, we need to hire somebody specifically to deal with certain aspects of developing this master plan. It seems to me that Citizens Advisory Panel could -- may, in fact, be conflicted because they already made recommendations to you, and then thereafter, would probably be interested in looking at an RFP to be hired as a consultant in that regard. It's more of just a statement than a question, but I was curious if Counsel could imagine a conflict under this scenario.

MR. SABATINO:

If the scenario just outlined were to follow, which is that if they were to participate, you know, in the early stages and then the Advisory Committee itself went out and said they wanted to bring in an outside consultant through an RFP process, then yes, they would be -- they would be precluded from participating -- they would be precluded from participating in the RFP.

MS. AMRHEIN:

I think, Legislator Haley, I said right at the beginning, depending on what we find, it is very possibly that we wouldn't have -- that we might have to hire some consultants to do some of the work.

LEG. HALEY:

I understand.

MS. AMRHEIN:

And from my own perspective, you know, I feel that we could use an economic study of the County looking into the future to try to determine what's happening with the local economy, which we don't now have.

LEG. HALEY:

Well, we know -- we know that the local -- projecting the local economy in the future is about as easy as projecting whether or not people are willing to use windmills. You know, one of the things we all know, we can all list, probably even before the day was out, all the forms of alternative energies, even maybe project some of the cost of those energies over the next five, ten years, and as you move out, it gets, you know, it's more susceptible to error, and even try to come up with an idea of what -- where technology might go. But at the end the day we have to try to figure out when we look at all the alternatives, what the reasonable expectation of the people who are

going to use them. And we all know that when -- when -- we had, I think it was in the 70's, when energy was expensive and oil was really expensive, we all starting burning coal. We went out and bought wood stoves and coal stoves and did stuff like that. And, you know, some people say, you know, raise the price of gasoline to, you know, \$7 a

gallon, you'll get people to conserve. So I think there's a major policy perspective to look at perhaps from a governmental -- from a County perspective when we look at the whole master plan. So I think there's an awful lot of questions involved, and I think it's a very complicated issue. I'm just concerned about whether this is really going to, you know, it is just a titled resolution that sounds good or is it really going to give us what we -- what we think we need?

MS. AMRHEIN:

The Legislature already passed the resolution to create the committee. The committee is already functioning. The only thing this does is add another function to what we're working on. And I don't think -- I mean, I have sat in here for a number of meetings talking about master plans, and I don't think that it's improbable that this committee work on that issue, particularly if the choice was to do that or to create another committee.

LEG. HALEY:

Right. The only thing I would ask is that this committee would consider tabling this so that I can approach Legislator Fisher with -- to modify that on Page 4 that Paragraph C that new -- that additional paragraph under "written reports required due date" and ask they simply add language that they would include or shall consider any and all reports or recommendations from any organizations or individuals of substance.

LEG. CRECCA:

May I? My biggest concern is I sort of like the underlying idea a little bit of having what is our own committee do this, but I certainly don't think that this committee has the expertise to do that. And I would also ask if we're going to ask the sponsor to look at it, for her to look at the possibility of adding to the bill proper funding so that they can get the expertise that they need to do it. I mean, there is no way that they have -- they have some experts that definitely would be helpful; Co-generation, the Brookhaven people, like you said, but you need somebody who knows, you know, electrical demands and the very technical side of it. And that's one of my concerns. And I think and you brought up a good point, Marty, too about the potential conflict CAP.

I almost want to reserve CAP to review plans that are out there, and if, you know, later on and be able to come back and not be in a conflict situation, if that's what we want them to do. But I can't support the bill the way it is, but I think I could support it if, you know.

LEG. HALEY:

It's a slight change.

LEG. CRECCA:

Yeah. Well, I think it might be a little bit more than a slight

change, but, yeah, I think it needs -- I think it needs -- they need the tools to be able to do it right, unless we're going to be having them reviewing a master plan, and that's not what this says. This says creating a master plan, that's really the problem I have.

CHAIRMAN COOPER:

I have to admit that I have some of the same concerns. I have no

problem at all with the committee reviewing LIPA's master plan if and when that's forthcoming, but there's some concern as to whether you have the resources, financial and otherwise, to develop a plan on your own, and that's the way this resolution is worded right now. But, Gordian, would you like to weigh in on this?

MR. RAACKE:

Yes. Thank you. I was -- just number one, wanted to point out that I'm not on the committee. I act as a resource person to the committee, and I attend the meeting, of course, and I provide any resource that I may have available to the committee, and it's worked. Regarding the expertise needed to put together a master plan, that largely, I would think, depends on the scope of work that has not been laid out yet for this master plan. I mean, you can do that at many different levels. So without knowing what the what the scope of work is, what they expect the end result of that plan would look like, it's difficult to say what level of additional outside expertise the committee may need. We can, of course, if that is what the Legislature desires, make our resources available up to -- under the present time track -- up to that level. If there is an additional need for additional resources, that's completely, you know, that's -- at this point, that's difficult to determine how great that need would be and what kind of additional consultants you may need or the committee may need.

LEG. FIELDS:

We have a motion to table.

LEG. HALEY:

I'll make that motion.

LEG. CRECCA:

I'll second.

CHAIRMAN COOPER:

All those in favor? Opposed? Resolution is tabled.

TABLED (VOTE: 4-0-0-0)

LEG. CRECCA:

Someone want to explain what this none sense resolution is? That was a joke. None sense resolution.

LEG. HALEY:

Motion to adjourn.

CHAIRMAN COOPER:

I second that motion. All those in favor? Opposed? Thank you very much.

(*THE MEETING WAS ADJOURNED AT 4:20 P.M.*)