

ECONOMIC DEVELOPMENT

HIGHER EDUCATION

and

ENERGY COMMITTEE

of the

SUFFOLK COUNTY LEGISLATURE

Minutes

A regular meeting of the Economic Development, Higher Education & 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 Wednesday **March 9, 2005**.

MEMBERS PRESENT:

Legislator Lynne Nowick • Chairperson

Legislator Angie Carpenter • Vice•Chair

Legislator Brian Foley

Legislator Jon Cooper

Legislator Jay Schneiderman

Legislator Cameron Alden

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ALSO IN ATTENDANCE:

Mea Knapp • Counsel to the Legislature

Joe Schroeder • Budget Review Office

Joe Muncey • Budget Review Office

Ilona Julius • Deputy Clerk of the Legislature

Ben Zwirn • County Executive's Office

Jacqueline Caputi • County Attorney's Office

Carolyn Fahey • Economic Development

John Gallagher • representing Broadwater Energy

John Hritcko • Broadwater Energy

Charles Stein • Suffolk Community College

George Gatta • Suffolk Community College

Dr. Shirley Pippins • President SCCC

Joe Williams • Commissioner FRES

Rick Gimbl • FRES

Kevin Rooney • Oil Heat Institute

All other interested parties

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MINUTES TAKEN BY:

Donna Catalano • Court Stenographer

(* THE MEETING WAS CALLED TO ORDER AT 9:48 A.M. *)

CHAIRPERSON NOWICK:

Good morning, everybody. I know that everybody is having a hard time getting in this morning. Legislator Carpenter should be in soon. Legislator Foley is going to be late. Legislator Schneiderman is stuck out East, but I thought if it was all right, we would start with some presentations, because we have a long agenda. And first we will start with a Salute to the Flag led by Legislator Alden.

SALUTATION

CHAIRPERSON NOWICK:

Okay. We're going to start with a presentation this morning.

Dr. Shirley Robinson Pippins will come up, she has a short presentation for us.

DR. PIPPINS:

Good morning.

CHAIRPERSON NOWICK:

Good morning, Dr. Pippins.

DR. PIPPINS:

I am here before you today for several important reasons; first, to thank you again for your courage and vision you have exhibited in supporting the college over the years, and in particular in this past year. I wish also to share with you that your support and strategic investment are already yielding results. And today, I will unveil the highlights of a recent independent economic impact study, which validates the benefit of your investment in Suffolk County Community College.

Midway into this fiscal year, it is appropriate for me to report to you and the community about the college and its programs and our progress towards the achievement of our collective goals. Together, the college, the community, the Board of Trustees and the County Legislature have established the goal of Suffolk County Community College being recognized on the local, state and national level as a college of excellence, a college of choice, not necessity. Accomplishment of this goal is important for several reasons; first, attainment of our goal is important from an economic development perspective. We know that strong community colleges attract and support strong businesses. Our goal is important in terms of career opportunities for our citizens, giving our citizens the skills needed to secure well paying positions and salaries needed to live in Suffolk County.

I also cannot overemphasize the importance of affordable, high quality transfer options for families and students. They help us keep our academic stars in Suffolk. We prepare them to transfers to some of the most prestigious institutions in the country, we instill a sense of pride in our alumni and citizens. All of this laying a strong foundation for future fund raising initiatives. Our stature as a community college also assists us in continuing to attract talented faculty staff and administrators to our fine institution. It also gives us a voice in the important national debate and dialog around policy issues like access, financial aid, health, nursing, homeland security and the President's initiatives and also enhance opportunities for women and people of color.

I am particularly proud of my policy and advocacy efforts on the local, state and national level. As a college president, a woman and a person of color, I see it as my responsibility to participate in these conversations. Remember, over 50% of our students are women. We teach our students to give back to their families, to the community, to the nation. As responsible leaders, as an institution and as role models, we must do the same.

The inaugural activities as we planned gave us a unique opportunity to highlight our institution and strengthen our connections as needed for future growth and goal attainments. And perhaps not so surprisingly, in the process we identified additional hidden Suffolk County Community College talents and goals, especially in the arts. Suffolk County Community College was impressive in faculty art shows through student and faculty in the culinary arts, the gospel choir, the jazz band, the jazz ensemble, the concert orchestra, the concert choir and theatre arts. You will see us building upon the arts in our newly rediscovered talents as we move forward. This expansion will make us a more comprehensive community college and thereby enhance students' success, bringing additional recognition a college of excellence.

The success of our efforts was validated by the presence and participation during our activities of

dignitaries at the local, state and national level, highlighted by David Ward, President of the Preeminent National Higher Education Organization, ACE, as our keynote speaker. Delegates from around the County, state and nation on our campus viewing our programs and our institution. Also during the inaugural activities, a regional forum for women was conducted by the American Council on Education on the Grant Campus, affording nine women from our campus the unique opportunity of joining women from around the nation in leadership activities at greatly reduced costs.

We are excited also that Suffolk was one of five community colleges selected to represent SUNY in London at the internationally renowned Ditchley Park Conference Center, sharing ideas on the transformation of higher education in the United Kingdom. We were one of four colleges, the only community college, the lead college, to present to the Academic Standards Subcommittee of the SUNY Board of Trustees on the important issue of assessment.

In an earlier version of this presentation, I would have indicated that for the first time ever Suffolk County Community College had a finalist for the nationally renowned status of ACE Fellow. Tomorrow I will announce that we have our first ever ACE Fellow, affording Suffolk County Community College nationally renowned stature. Also for the first time ever, community colleges are receiving support for ACE Fellows through the LUMINA Foundation. Only six community colleges in the entire nation are receiving support. Suffolk County Community College is one of those colleges.

Recently, we were major presenters at the Middle State Conference, that is our accrediting agency. And for the first time ever, the college has been selected to lead its own session at the next American Association of Community Colleges. As we seek to strengthen our partnerships and enhance our profile, we continue to focus on our core mission of service, transforming lives, families and communities all in the context of a continued commitment to excellence. We are experiencing increased success both with students facing challenges and those who are academically challenged.

This past fall and summer, we successfully piloted and we're prepared to expand upon our College Success Program. This summer we will pilot an ESL version of that College Success Program. While we're working with student facing challenges, we're also working to enhance programs for students with academic talents. Our honors programs are growing and expanding their offerings. Recently, our honor students experienced lectures from two nationally recognized figures; first, a former student, Michael Holtzman who graduated ultimately from William and Mary, and a second ambassador, Mitchel Riss, Director of Policy and Planning at the US Department of State. Both speakers made presentations to packed audiences, packed audiences at a community college. The students asked tough questions that even made the ambassadors sweat and that made me smile.

I'm also pleased with our progress in expanding access while meeting community social and economic needs in nursing, culinary arts and hospitality. Our success in nursing builds upon the work of the nursing task force and the nursing scholarship initiatives. Special thanks to Legislator Carpenter for her leadership on the task force, and to Legislator Foley for the scholarship program. These two initiatives put the nursing shortage on the front burner. Shortly in Sayville, we will address that shortage in a state-of-the-art facility thanks to \$1.7 million from Good Samaritan Hospital, \$150,000 from Assemblywoman Fields and \$100,000 from Senator Trunzo and \$100,000 approved by the County Legislature this year sponsored by Legislator Lindsay.

Our efforts in hospitality and the culinary arts are also moving forward with the support of \$250,000 from Senator LaValle and \$30,000 from Legislator Caracciolo. These downtown centers clearly illustrate the results of our efforts to build partnerships and strengthen our connections, to development resources at the local, state and national levels. All of our efforts are being coordinated in a strategic plan.

When I began my presidency, we did not have a forward-looking strategic plan. The college has finalized a dynamic strategic plan. This unique and powerful document charts a coordinated course for the institution to achieve enhanced excellence and address major challenges in students' success, technology, mission review, national benchmarking and reaccreditation in 2007.

I will close with the really good news. This really good news is that recent independent research validates the impact of your strategic investment in Suffolk County Community College. We will forward copies of data to you shortly. Key findings for Suffolk County and Suffolk County Community College indicate that state and county taxpayers see a 17% annual return on your investment in the college, recovering all investments in 8.4 years. And New York State benefits from medical savings, crime savings, reduced welfare and unemployment costs, saving the public an estimated \$8.7 million a year, ultimately benefitting the college, a goal we share with the County Executive. Students see an 18.4 annual return on their investment of time and money. Students recover all costs including wages foregone while in college in 8.2 years.

The average earnings of a Suffolk County Community College student with an Associate Degree amount to \$42,819, 35.1% higher than a student with GED or a high school diploma. I thank you again for your support, and I look forward to an even brighter future for Suffolk County Community College and the citizens of this County.

CHAIRPERSON NOWICK:

Dr. Pippins, thank you for that summary of the past year. And may I say that I am very, very proud to have you as the President of Suffolk Community College. Now, I find myself more often than not bragging about Suffolk Community College, telling people or whoever will listen that we have a college here in Suffolk County that offers more than it ever did before. I have gone to Sayville to see the future nursing school. It's a beautiful facility. It takes insight to plan something like that. The culinary institute that's coming to Riverhead, I did see all of the plans,

it's going to be a beautiful building. Again, it's insight, and I believe that with you at the helm, you have brought a lot of new ideas, you have a lot of energy that you're giving to the school. And I am very proud to say that at one time, I actually attended Suffolk Community College.

My daughter this year had an opportunity to make up a class over the summer, and may I say that, not just administratively, what I found was that the college can offer so many different courses. The college is accredited by her school down in Florida. And also, the faculty, what it brought to her was when she would come home from class and say, you know what, this professor is making this fun, so we get to learn. So you have all of that. And with you at the helm, I believe that this college can continue to grow. And I thank you. Does anybody have any questions.

LEG. ALDEN:

School is not supposed to be fun, so I don't want students in there laughing having a good time or anything like that. But I've been very, very pleased with Suffolk Community College and very proud that I graduated. We won a •• my team won a baseball championship way back when. I also want to compliment you on two people on your staff, and that's George Gatta and Chuck Stein. At the last committee meeting, I had raised a couple of problems, things that I saw as problems. And before I got back to my office, they had looked into it, and both of them had given me a call and we are well on our way to resolving, in my mind anyway, the thing. So I want to thank you for your quick response.

DR. PIPPINS:

Thank you.

LEG. ALDEN:

One other thing. I was over at the •• it's not a convention center, but the field house. We use it a little bit as a convention center. I was over there for the boat show when they were starting to bring some of the things in, and I was going to mention it to George because it would probably be more appropriate to George, but I'll say it to you, you're the President of the College, so, you

know, like, you can assign it to whoever you want.

DR. PIPPINS:

I was looking behind me to see if George was here.

LEG. ALDEN:

The doors where they were bringing in some of the exhibits, they said that if there's some way that those doors can be enlarged, we might be able to qualify for some other types of shows, and that might be like a motor home show and even larger boats, they could bring them in next time. So I'm just throwing that out there. If somebody could look into it and see what the cost would be to rearrange those doors and maybe expand them and also to reach out to the industry and see, you know, like, what size they would actually need. Just a thought to throw out. Maybe we would want to pursue that.

DR. PIPPINS:

Thank you. I appreciate that.

LEG. ALDEN:

Thanks.

DR. PIPPINS:

Thank you, Legislator Nowick.

CHAIRPERSON NOWICK:

Thank you to your staff. Okay. Our next presentation today is Commissioner Joe Williams from

FRES, who has a presentation on the Broadwater Energy project.

COMMISSIONER WILLIAMS:

Good morning. This morning, before we start our presentation, I'd just like to mention that the presentation we're giving this morning is strictly on factual and technical information that we have received on current sites that are around the country now. Giving the presentation this morning, I'd like to introduce Rick Gimbl. Rick is working at Suffolk County Fire Rescue on a FEMA grant. A background on Rick. Rick is a retired member of the New York City Fire Department with over 20 years experience, a charter member of the New York City Fire Department Hazmat 1. The County is very lucky to have Rick working with us. He brings a vast amount of knowledge to us. I'll turn over the presentation to Rick now.

MR. GIMBL:

Okay. Good morning. My name is Rick Gimbl, G•i•m•b•l. As the Commissioner said, this presentation is for the information purposes only, it's not intended to approve or disapprove the Broadwater facility on Long Island Sound. It's factual. I'll just give you what we researched on it as factual, and I'll answer any questions when I'm done or you may interlude any questions when I'm talking.

The proposed LNG project includes construction and an operation of a new offshore LNG floating facility known as a floating storage regassification unit, for short, FSRU. It will offload LNG in the Iroquois pipeline that is approximately 25 miles from this site. The LNG carriers will transport LNG to the stationary vessel approximately two to three times a week. And it would take roughly 14 to 18 hours to offload their cargo into this facility. The FSRU will be lured approximately nine miles from Wildwood State Park in the Long Island Sound. It's roughly 1200 feet long, 180 feet wide, 75 to 100 feet above the water, eight billion cubic feet of gas or 350,000 gallons cubic •• cubic yards of •• cubic gallons.

The next slide shows you the existing proposed potential North American LNG terminals, there's quite a bit of them. They're in a mustard color. The blue ones are already existing, and the Coast Guard is in charge of those. You see we're 21 •• it's not on the list, but we're just 21, it says Long Island Sound, it's the Broadwater proposal. There are approximately 100 LNG facilities operating now in the United States. Most of them are on land. All I know is two •• one right now being proposed off the California coast, and one is operating in the Boston Harbor. We will be another one that will be on the water, but most of them are on land that are operating today.

Next slide, who is in charge? Well, there are a few people that would be in charge. I'm not sure they're in the right order, but one would be the United States Coast Guard. They're responsible for ensuring the safety of all marine operations at the LNG facility. And on tankers being transported in the Sound, also for security reasons, Department of Transportation. The Federal Energy Regulatory Commission, FERC, you probably hear that a lot. The FERC is responsible for permitting new LNG regassification terminals in the United States. They will do the studies on it, they will do the proposals, the impact statements and stuff like that before this is approved. That will come from them.

Other agencies that will be involved will be the Department of Environmental, US Fish and Wildlife, US Army Corps of Engineers, this is a list of them, plus the County and local municipalities have a voice in this too.

A little bit about LNG. Let me explain to you what LNG is. LNG is methane gas. Now, we all know methane comes out of the soil around our country, around the world actually. What they do is they bring this down to temperature where it could change from a liquid •• from gas to a liquid. So temperatures there stored •• to keep them stored as a liquid is 259 Fahrenheit, it's pretty cold, it's known as a cryogenic. Eighty•five percent •• 85 to 96% percent of this methane is other chemicals involved, other volatile organics, which would be such as ethane, propane, butane. So it's not pure product, there's other products in there that's mixed with this.

However, it's still 85 to 96% methane as a volume basis.

The boiling point, and I'll explain the boiling point, we all know water boils at plus 212 degrees. Well, this boils at minus 259 degrees, which means once it escapes from its cargo hold, it turns to a gas immediately. We couldn't stop that, okay? So it's just •• it's always a gas, we have to make it a liquid •• or they have to make it a liquid, which they bring it down to a minus 259 degrees. The specific gravity, I'll explain that to you, is you take air as one, so if it's anything above one, this is 1.7, at air temperature, it's lighter than ambient air, so it would float. However, when it comes out of its vessel being so cold, that will stay low to the water level and it would evaporate as fast as it could, depending on the water temperatures. A lot of factors come into play on how fast this vaporizes out. However, it does vaporize quickly.

As I said, as a liquid, LNG would neither burn or explode, but the gas will. The liquid is colorless, odorless, tasteless, so when it escapes our homes, the people who use gas, you smell that _macaptin_ , that's an additive that's added when they put it into the pipeline. And the vessel, being offloaded from another vessel into this vessel, there's usually no odor. The call it asphyxiate , because when it mixes with air •• mixes with air, it takes away the base of the oxygen, so you have methane gas. So for us to live in that kind of exposure, we wouldn't be able to breathe, because there would be no oxygen, it would displace the oxygen.

It vaporizes very rapidly, like I said before, once it hits the ambient air. And it produces 620 to 630 standard cubic feet of natural gas for each cubic feet of liquid. So if my fist is one cube of liquid, you would have 630 times this as a gas. Its 5% flammability range is small, it's 5% to 15%, that means a range of zero to 100, you need 5% through this range of 15%, and in this range here, it would be flammable. Anything below 5% is too lean to burn and anything above 15% is too rich to burn. However, when you're in a rich state, somewhere it's got to be •• it would be vaporized now into the atmosphere, so eventually it would get down to that 5 to 15%. So it's still unstable.

Just to give you an example, I put this together to show you some other products that you might be used to, which is gasoline. Gasoline, the flash point •• flash point is a temperature, the minimum temperature that the vapors will ignite. So gasoline will ignite minus 40 to minus 49 degrees. It will be a flammable liquid, flammable gas as we know it. That's why people in Alaska sometimes have to keep their cars warm, because the gas will ignite, it will burn, because it gets that cold. Here, we have no problem, because we don't go down that far. However, here gasoline burns all the time. LNG is minus 259 degrees, it's way down there. Propane is minus 55 •• 155. The flammable range, just to show you what examples would be, gasoline is 1.3 to 7.1, this is a very small range; LNG is five •• like I said, five to 15%; propane is 2.1 to 9.5. It just tells you that, in the air, the range it needs to be ignitable is in that range; 2.1% of that product of propane to 9.5% of propane is ignitable.

Autoignition temperatures, that's the temperature which the liquid will •• if heated would just spontaneously ignite by itself. So if we took oil on our stove and burned oil and forget about it, what happens is the oil will automatically ignites by itself without us, just to heat by itself. It would take 820 degrees to self•ignite gasoline. A thousand degrees to ignite LNG, because it's so cold. It takes a lot to get that to warm up, to ignite, and propane is 840 degrees.

As I said, the specific gravity, air is one. Gasoline is very heavy, gasoline vapors stay close to the ground, they don't move up, they stay close. So LNG is very •• it's .55, so it's going to go up. So as soon as it warms up in the ambient air, it just dissipates into the air quickly, quicker (sic) than gasoline does, quicker (sic) than propane. We use propane in our backyards at barbeques, you see if you open the gas valve on the tank, usually if you have a big cloud, it will stay low to the ground, that's because it's heavier than air.

The expansion ration, like I said before, LNG's 620 to 630 times, propane is 270 times. So you see a big range there compared to propane.

The next slide shows a type of fire. You will hear in a lot of reports, pool fire. Just what it says, just take it •• when the liquid escapes from the vessel, it forms a pool along the surface that it attaches to. Either it's on land or on water, it will just pool out and form a pool type of object, and then the gases vaporize off that liquid as quick as the ambient temperature and the water temperature allows. A lot plays into that scenario on how far she escapes out.

Jet fire is probably •• literally unheard for this type of product, because it's so cold. And when it comes out •• a jet fire is just like I said, like a jet fire, like an oil burner, it jets out a flame into the oil burner. This is hard to do it with because it just doesn't have those characteristics of diesel fuel. Flash fire, a flash fire will happen if the cloud escapes, the vapor cloud off the liquid, escapes into the atmosphere and it stays together and it forms a cloud, if it reaches that five to 15% in air, it could be ignitable, and you will have a flash fire.

Again, any questions, I will be happy to answer them. This is a typical vessel. Just to show you, it just won't be a vessel, this would be a transport vessel that I'm showing here, just to show you how these vessels are made, just to show you the thickness of the hull. They have done studies, again, these are scientific studies, nothing's been done where it's actually happened, but scientific studies show that the •• they had an attack on the Limbergh Vessel, which caused a greater than 16 foot diameter hole on the outer hull, but only minor damage to the inner hull. The study also found that a shoulder-fired weapon produced much less damage. That's basically it on the vessel.

Ours would be •• the one that they're proposing is similar to this, that would be stationery with the same type of thickness and hull. Just think of a thermos, you put your coffee in a thermos in the morning, it has an inner vessel in that bottle to keep that coffee hot. It's the same thing here, this is a thermos bottle, a big thermos bottle. It has an interior, which is made of nickel, because steel would be brittle, the coldness would just brittle the steel, so they use a special alloy nickel, and it keeps the product cold. There's no refrigeration on this unit to keep the liquid cold, it's just a natural state. You freeze it down to that minus 259 degrees, it's transported as a

liquid into that vessel, and it stays cold in that vessel until it escapes through piping out into a condenser, which warms it up and turns it to a gas. So it's like a large thermos bottle.

This is a slide I took from resource •• resources at ambient temperature at 50 degrees Fahrenheit, humidity 20%, wind speed 20 miles an hour, a hull diameter of three feet, the spill time would be roughly 94 minutes. Again, this is a scientific study, there's nothing been done to actually •• to do this, to prove it. Maximum pool radius of 340 feet, it would take 94 minutes for the fire to be extinguished by itself.

Now, in the reports you might read, you will see KWs per square •• per meter square, I broke it down to BTUs so you understand what the heat flux is. We're used to BTUs in our refrigerators as cold, we're used to them in our oil burners. At 2200 feet away from this vessel, if this cloud would move 2000 feet away, the BTUs, that level would be 1600 BTUs. Now, 1600 BTUs, you would probably sustain second degree burns with 30 minute •• 30 second exposure. At 1710 feet away, 3000 BTUs, so it's gets hotter as it's closer to the vessel to escape from.

I just have another scenario, eight feet away, 15 minutes, 817, showing you a difference of the • • the plume •• the model of the plume coming out with the cloud. Again, scientific studies. And in the research I have done, I have not found a reliable •• in my eyes, a reliable source to do plumes, which means •• take the vessel leaking out liquid and forms a cloud, how far •• how far would this cloud move from the vessel. We're still working on that. Hopefully, in the next couple of days, I'll have a new system that give us that kind of information.

We have •• we have used other systems, which are called _cameo aloha_ , but it doesn't go in that many gallons of liquid LNG. It's mostly done with other chemicals, it's not really done with LNG. There have been studies done, but we're not privy to get that information. They're not readily available to relinquish that information to us. I know _Arthur D. Little_ did a study on this site •• on the site here in Holtsville on LNG, but we're not able to get that information yet. That's really basically what our facts show for right now. We're still in the research stages.

We're still researching this to give you the facts, nothing else but the facts. So if you have any questions, I'll be happy to answer them.

CHAIRPERSON NOWICK:

Are there any other barges of this size that we know of along the coast here?

MR. GIMBL:

No.

CHAIRPERSON NOWICK:

Would this be the first one?

MR. GIMBL:

There's one in Boston, but I'm not sure how big that is and how that •• I think it's different than this. Boston's facility would be different from this one. This would be mooring out nine miles off shore. I think Boston •• it's in the harbor, so I'm not sure if it's that close to the thing. I'm told there's one coming up similar to this in the Gulf of Mexico.

CHAIRPERSON NOWICK:

But as of right now, this would be •• is this going to be one of the largest?

MR. GIMBL:

As far as my research shows, yes.

CHAIRPERSON NOWICK:

Okay. Legislator Alden has a question.

LEG. ALDEN:

How do you fight a fire if one breaks out on that ship, either the tanker or if it breaks out on the barge?

MR. GIMBL:

Well, that's a tough question. I mean, if it's out •• we're talking about this facility, say it's on line and the fire occurs, by the time we get out there, the fire would be gone. It burns so quickly. It also depends on what type of fire and whether it's burning from the vessel itself, the whole cargo is burning or just the vapor cloud coming off that cargo or the pool fire. It's a lot of questions •• it's a very hard question to answer. However, to fight a fire like this, you can't use really water, because what would water do? It would just make the vapors more, because you're heating the liquid up. So dry powder would be the type of system you would want to use on this.

LEG. ALDEN:

What type?

MR. GIMBL:

Dry powder, _Purple K_ . It's a solid type of powder to extinguish the fire.

LEG. ALDEN:

Do we have the capability in Suffolk County of fighting that type of fire?

MR. GIMBL:

At this time? At this time, I would say no. We do have capabilities of dry powder at the airports. Again, this is nine miles offshore. To get out there, it could take an hour.

LEG. ALDEN:

I'm just asking.

MR. GIMBL:

I will say no. Joe, you have anything you want to add to that?

COMMISSIONER WILLIAMS:

The typical firefighting on something this size and experience on what small to use, would be almost to control the area around it and let the product burn itself out instead of trying to put it out, because the product is burning, like any other gas, it's easier to let that burn off and have the vapor cloud dissipate someplace else, it would be to control around it and try to let it burn itself off.

MR. GIMBL:

In other words, protect exposures and let the thing do what it's doing.

LEG. ALDEN:

You mentioned something about, you know, a concern I have, like, if this becomes a terrorist target, I don't know, did you do a presentation in Public Safety that dealt with that?

COMMISSIONER WILLIAMS:

The presentation that we have done is very similar to •• almost identical to what we did this morning here. We haven't done any presentations. We're just trying to gather all the information. The problem we're having, this is a much larger site than anything else we have ever dealt with or even built before. So we're trying to gather all the information we can before we come across it. If the project is going to come on line in the future, we definitely have to have a plan in place in Suffolk County working with the local towns on it.

LEG. ALDEN:

Through the Chair.

MR. GIMBL:

I can add something. I should mention that the vessels coming in to offload to this vessel, the nearest point to land is one mile, which would be off Fishers Island. So when the vessels come in off the ocean into this facility, they will pass Fishers Island, and I do know that it's about a mile offshore.

LEG. ALDEN:

There's some of us that would never like to see anything happen to Fishers Island, especially with the golf course there. That's a potential disaster, you know? Do we have any presentations planned from, I think it's •• is Guliani Associates your safety •• do we have any planned presentation from them?

CHAIRPERSON NOWICK:

We don't, but we certainly can bring that into the meeting if the committee is so inclined.

LEG. ALDEN:

Yeah, because I think that would be important.

CHAIRPERSON NOWICK:

We could do that.

LEG. ALDEN:

Here's where I'm going with that. I just read a little bit about •• I think it's a firearms company in Belgium, they're making a pistol, but some of the ammunition that goes with that pistol is armor piercing at a close range. So if we have that kind of technology •• and also, I know you mentioned before, shoulder-fired, you know, there's some heavy duty stuff that can be fired from the shoulder. So if that becomes a target, you know, we know that there's armor piercing, you know, capabilities out there. So in the event of, you know, a major explosion or something of that nature, I would want to know what the consequences are. I heard •• part of the answer to, you know, what you said is that if there's a fire there, the best thing is to keep people away and let it burn itself out. But that's only, you know, a partial answer to some of the other concerns. Thanks.

CHAIRPERSON NOWICK:

I have a question also. If there was to be a fire, if somehow the thermos was penetrated and the LNG leaked out, and when it comes to the air, it explodes for lack of a better word or goes on fire, I do realize what you're saying, it puts itself out, however, it forms a pool and the pool is the fire, the pool is on the Long Island Sound on the water, what is the •• where does the liquid go, into the Long Island Sound? I'm trying to ascertain whether or not •• does that pollute that

water? Even though it burns out immediately, does it disappear? Does it pollute the water? What are the •• what are the environmental effects if that should happen?

COMMISSIONER WILLIAMS:

I'll let Joe speak to that. One thing I just want to mention is when it comes out •• some of the things •• being that this is such a large facility, we discussed this numerous times, is there's some concern of the time year •• it's coming out at such a cold temperature, what we have to look at •• what he mentioned to me is you have to also look at is it going to freeze the water around the project. You know, what's happening is the vapor is going to be dissipated. If we have a fire situation, it's coming out, it's going to freeze the areas around that particular site, which brings in a whole unique type of situation to us in firefighting. We've •• again, we've discussed this, we've talked about it. As this project is moving along, we're going to have numerous meetings with the people if it does move along or whatever happens with the project. All the other sites that have this, like, we have this even at Exit 62, a very similar site, much smaller quantities, but we don't have that uniqueness to it, they have a pool set up. But here we are, the water surrounding this thing is going to get frozen.

MR. GIMBL:

If you look at the Sandia Report ••

CHAIRPERSON NOWICK:

Joe, it stays in the water, the LNG stays in the water? I'm just trying to find out the effect environmentally.

MR. SCHROEDER:

This is one of the issues that I've been discussing with the people who may potentially be involved with the study, is that the product itself doesn't burn, it's the vapor aspect of this. That's where the fire will occur. When a cryogenic liquid hits a water temperature of 35 to 60 degrees, it's going to want to freeze the water, it's going to want to boil off. We don't know exactly what the interaction will be between the seawater and the cryogenic material.

It could create an ice surface that causes the pool to spread further, it could create a situation where the fluid hitting the water causes the water to splash up as it freezes and create a dyke around this facility. We don't know. And the effect of wave action on all this complicates that to the extent where we're really talking about the interactive effects of the air above the water and the water, the attributes of the water itself.

So it's a very interdisciplinary approach that has to be taken to this with very complicated computer modeling that would identify what might occur in terms of the premixing of this product. And the premixing area is where the combustion would occur. That's where you have the right balance of air and fuel.

CHAIRPERSON NOWICK:

Okay. Just in laymans terms, could that •• if the LNG penetrated the thermal, which may or may not be a likely •• something that will likely happen, but say it did, could that eventually go from the 11 miles •• it's sitting 11 miles offshore, could it eventually, that LNG substance, eventually work its way to the shore where people are swimming on Long Beach in my •• you know, in Smithtown, it would be Long Beach or Short Beach, could that happen or does it dissipate?

MR. SCHROEDER:

Well, that's some of the things we were going to be looking at with the study, in terms of the effect of wave actions and winds under extreme conditions. So if you have an extreme winter storm situation from maybe the northwest and the northeast and an extreme summer situation and an average day situation, so what's the likelihood of a vapor cloud reaching the shore under those three different scenarios. But those are things that really have to be modeled and taken • • you know, it's a very complicated look. The Sandia Report itself used four computer models for its projections, and they commented that only one of the four models included anything relating to wave action, and that was on a very simple level. They recommended that much more modeling be done to evaluate something, in particular in this location.

CHAIRPERSON NOWICK:

Thank you. Legislator Cooper.

LEG. COOPER:

Mr. Gimbl, I don't know if you will be able to answer this, but I've heard numerous media reports, and I believe that Broadwater acknowledged in their previous presentation, that they envision a security zone being established around the LNG facility, I guess, primarily to try to mitigate the likelihood of a terrorist attack. And I think I have heard it would be a one square security zone. Have you received any information about this, and if so, what details do you have?

MR. GIMBL:

The only information I have received was they were looking to purchase three security fire boats, two different •• same boat doing two different things; security and also if a fire broke out, they would be readily available at the site. That's all that I've been told in my research, just that they will be purchasing three vehicles on the water for security when they're offloading and to •• in

case a fire broke out, they would be readily available. But again, that's all pertaining to the Coast Guard. If this were ever approved, the Coast Guard would have to come in and do a whole site safety on this.

LEG. COOPER:

Also, I understand that there are security costs, federally mandated security costs, that would have to be borne by the local levels of government, including the County. They're not direct costs related to the project perhaps, but again, they're unfunded federal mandates. Do you have any information about that? Do you have a handle as to what the costs might be?

MR. GIMBL:

No, I do not. However, I have a question to your question, which we're trying to answer too. The waterways, we're not sure if that's County waterways, it might be state waterways, so we're not sure whose jurisdiction that is regarding the security and cost of that. That's a question we have to look into, and we're looking into that. Where do we stand if it's nine miles off, is it state waterways, is it County waterways? That's a question that we're still looking for the answer. So, I guess, I can't answer that question at this time.

COMMISSIONER WILLIAMS:

Just a little about what we have talked about in your office very lightly with the US Coast Guard, is that if this project comes on board, it would naturally be one of those site sensitive places very similar to what they're like in New York Harbor, back and forth. So there will be some type of patrols there. And I don't know who would bear that cost other than the US Coast Guard. That's still in the talking stages.

LEG. COOPER:

Thank you.

CHAIRPERSON NOWICK:

Legislator Carpenter.

LEG. CARPENTER:

Thank you. And I apologize for being late, traffic was not heading my way. Actually, Joe, I was listening especially when you said that you are still in the information gathering phase of this whole issue, and I commend you for that, I think it's really important that we have real concrete information before we act in any fashion. How long do you think that process is going to take?

COMMISSIONER WILLIAMS:

I'm going to ask Rick that question. He's been leading this. We've been talking very closely on this, but he's been closer with the project.

MR. GIMBL:

I would say at this time it would take a while. Joe mentioned the Sandia Report, and a lot of people are using that report for negative and positive reasons. The Sandia Report is scientific data that really has not been used in our facility on Long Island Sound. No one has ever •• only one report requests a wave type of scenario on a model, and that was very, very little •• I mean, there's a lot of information that he didn't add to that; the temperature of the waves •• the water, height of the wave, the wind condition, there's is so much that plays. Right now, I'm researching

with Homeland Security in Washington DC to come up with a model, and I think we found a model to do this. And I would say probably in another month's time we will have more information.

LEG. CARPENTER:

To Legislator Cameron Alden's suggestion about a presentation, you know, in Public Safety on the terrorism aspect, I certainly don't have a problem, I think the more Legislators that can hear the presentation, especially from a public safety perspective, it gives us the appropriate information that we need before we act on any resolution, be it sense or anything, you know, in favor, opposition, whatever, we need to have that information. But I just want to be sure that we're not compromising public safety by, you know, putting on the table that, you know, this could be a terrorism target. I mean, what is your feeling about that?

COMMISSIONER WILLIAMS:

Well, most of the time, we don't like to bring attention to that. There are a lot of sensitive sites, even in Suffolk County and around Suffolk County, which we tend to avoid bringing up in the public forum. I think maybe we can do some type of presentation that talks just informationally, similar to this. The thing we're running into with this particular project, like Mr. Gimbl said, is that we're basing •• trying to get a knowledge based on models, on studies of any other project that's not even close to this. So we're relying a lot on other information, we're getting to talk to people. We have had cooperation from all parties. Any information we have asked for, they're readily giving it to us. We've spoken to some of their experts on it. They've sat down with Mr. Gimbl. We have had cooperation, but again, everybody's basing all their knowledge on a much smaller computerized thing, which we have to, we're not going to go out and demonstrate this.

LEG. CARPENTER:

It's certainly encouraging to hear is that there is this cooperation and sharing of information. And what I would like to do is when you •• perhaps after you've met with experts on homeland security, that maybe in another month or so, that you come to the Public Safety Committee. And again, there are eight members on the committee, there are some who are not on this committee who will be able to learn from that so they too can be making and informed decision.

COMMISSIONER WILLIAMS:

Absolutely.

LEG. CARPENTER:

Thank you.

CHAIRPERSON NOWICK:

Legislator Alden.

LEG. ALDEN:

Just to pick up on one thing that Legislator Carpenter said, unfortunately, I saw some speeches made by representatives of Homeland Security, and a couple of times they came out and identified what would be a target; our railroad system, our bridges, our nuclear facilities, oil wells and things like that. So I don't know if they named specifics, but you know, the things that are public knowledge, you know, can be targeted by terrorists. And one of them is right across the Sound from us, the nuclear plant. They spoke about that, and they actually spoke about •• what's the one up in •• not even Westchester, it's just above the City?

MR. GIMBL:

Indian Point.

LEG. ALDEN:

Indian Point. So as a target, they actually said what would happen if that was attacked. So I don't think this is a secret, you know, that there's a proposition for an LNG plant out here. So, you know, if somebody's going to get the idea that that's, you know, a target, they're going to have that idea already in their head. So us doing a public, you know, exploration of what the risks are and benefits and things like that, I don't think we're drawing any more attention to ourselves and making it any more of a target than it would have been already.

COMMISSIONER WILLIAMS:

I agree with you. I didn't mean to imply that. What I was just saying is that if we gave a presentation, we wouldn't talk about any security measures that we're taking with, say, Suffolk County PD on it. We could talk about the operational, we could talk about our plans, even firefighting plans. Those are good things to talk about. The only thing we couldn't talk is, say, any special operational things or any security things they're doing right now.

LEG. ALDEN:

Exactly, nor would we want you to do that. Thanks.

LEG. COOPER:

We could always go into Executive Session if need be.

LEG. ALDEN:

Yeah, but if one of us has terrorist ties or something, you know, you're going to leave that out or whatever.

CHAIRPERSON NOWICK:

Legislator Foley.

LEG. FOLEY:

Thank you, Madam Chair. Mr. Gimbl, in your remarks, you mentioned that there's an LNG plant •• the only other one on the water is in Boston Harbor; is that correct?

MR. GIMBL:

Yes. Correct.

LEG. FOLEY:

Have you spoken to the Boston Harbor Police as to how they go about trying to secure that site? And is it relative in size to this, or is this a much larger proposal than what's already in place in that particular ••

MR. GIMBL:

My contact with them wasn't on security measures, it was on information on the vessel.

LEG. FOLEY:

Do you think it would be worthwhile though ••

MR. GIMBL:

It will be as part of our research.

LEG. FOLEY:

•• since part of your charge is to look at that as well?

MR. GIMBL:

Yes. Yes, it is.

LEG. FOLEY:

Okay. Do you know offhand whether or not it's of a similar size as this, or is this a much larger •
•

MR. GIMBL:

This would be larger.

LEG. FOLEY:

By a magnitude of how much?

MR. GIMBL:

I don't know. I might have it in my notes here.

LEG. FOLEY:

Well, it's much larger, and I think the record should reflect that.

MR. GIMBL:

The Boston one is in the harbor closer to the land than this is. So again, all those models that we want to do, we can't really use this facility.

LEG. FOLEY:

Well, it's not so much using it as a model for •• mostly for environmental purposes, but certainly to get the experience of the harbor police.

MR. GIMBL:

We will do that.

LEG. FOLEY:

It would be of interest. And, of course, that harbor is a much more heavily industrialized harbor than we have here in the Sound as one of our national estuaries. That was my only question. Thank you, Mr. Chair •• Madam Chair.

CHAIRPERSON NOWICK:

Okay. If there are no further questions, we will thank you for your presentation, and we will start with the yellow cards. Our first speaker is Kevin Rooney from Oil Heat Institute of Long Island. Good morning, Kevin.

MR. ROONEY:

Good morning, Madam Chair, members of the committee. My name is Kevin Rooney. I am the Chief Executive Officer of the Oil Heat Institute of Long Island. While I am directly employed to represent the interest of the home heating oil industry, in a broader sense, I also represent interest of the entire petroleum industry of which heating oil is but a small part. When I first came to this country some 35 years ago, I became a fan of the New York Yankees. Since that time, I have supported and routed for my team in good times and bad, through the championship years as well as of the 16 years when the Yankees didn't even make the playoffs. At no time, however, did I think it necessary to show my support for the Yankees by gratuitously bashing the efforts of their National League counterparts from across town, the New York Mets.

I became acutely aware of this fact last month when I sat through, or should I say suffered through, a two hour presentation and Q and A on the Broadwater Energy Liquified Natural Gas project. In their various expressions of support for this proposed facility on which my association takes no official position, both of the presenters seemed to think it was perfectly acceptable to repeatedly take gratuitous swipes at the petroleum industry.

We heard comment after comment about oil barges polluting the Sound, dirty oil burned in electric power plants, and even, quote, oil soaked ducks and other birds from oil spills, end quotes, as if by comparison this unfounded recitation of environmental abuse would make the Long Island based Broadwater facility seem more environmentally appealing.

I would like to clarify the official Legislative record on this issue by making three key points. First, petroleum products, natural gas and liquified natural gas are all fossil fuels. As such, there are a variety of environmental risks, albeit different, attendant to the extraction, transportation, delivery and end use consumption of all fuels. This is a scientific fact.

Second, Long Islanders consume over two billion gallons of petroleum products annually; gasoline for automobiles, other motor vehicles and recreational boating, diesel fuel for agricultural usage, commercial fishing, and commercial trucking, jet kerosene for the airline industry, heating oil for homes and businesses, residual oil and other liquid fuels for electricity generation. More than half of these petroleum products are delivered to Long Island by tanker, barge, or underwater pipeline. And yet in the 23 years that I have represented this industry, the number of oil spills in the Long Island Sound can be counted on the fingers of just one hand.

And lastly, my association is on record in support of vessel booming requirements for both the loading and offloading of petroleum products. We support the use of low sulfur fuels for heating and transportation to improve our air quality. We strongly support the use of bio•diesel and other organically based green fuels, particularly in motor vehicles. And we financially support the Oil Heat R and D Program out of Brookhaven National Lab to develop high efficiency, nonpolluting heating equipment, the results of which program over the past two decades have resulted in the reduction of almost 30% in average homeowner heating oil consumption.

It is a record of technological progress and a record of environmental sensitivity, awareness and

compliance of which my industry is justifiably proud. For any individual representing an alternate fuel to come before this committee and in so doing demean and denigrate the efforts of the entire Long Island Petroleum Industry, an industry which employees and financially supports tens of thousands of families and pays untold millions in state and local taxes simply to make the prospect of an oversized floating natural gas barge somehow look more attractive is unseemly, uncalled for, and it is unjustified.

In the future, when various energy projects are discussed before this body, we would most respectfully ask that the Chair invite presenters to state their support or opposition to such without having to resort to the use of gratuitous comparisons in order to make their case. A fair, impartial and objective review of our energy infrastructure needs by this Legislature demands nothing less. And I thank you for your time and consideration, Madam Chair.

CHAIRPERSON NOWICK:

Thank you very much. Are there any questions? Legislator Alden.

LEG. ALDEN:

Kevin, when you refer to bio•diesel, you mean a mixture of kerosene and grain alcohol?

MR. ROONEY:

It would be actually low sulfur diesel. Bio•fuels can be produced from a lot of difference sources. They're agricultural•based products. Financially, one of largest supplies •• potential supplies of bio•diesel is animal fats. McDonalds may actually become one day a source of fuel for automobiles.

LEG. ALDEN:

Instead of selling it to the kids, we can burn it in the cars.

MR. ROONEY:

But bio•diesel usually •• my industry is actually recommending a 5% bio•diesel, 95% for ultralow sulfur fuel for diesel transportation purposes.

LEG. ALDEN:

Thanks.

CHAIRPERSON NOWICK:

Thank you, Kevin. John Gallagher.

MR. GALLAGHER:

Thank you, Madam Chair. Good morning, ladies and gentlemen.

CHAIRPERSON NOWICK:

Good morning.

LEG. ALDEN:

We miss you.

LEG. CARPENTER:

Desperately.

MR. GALLAGHER:

It's my pleasure to be here. I know that's a stock phrase, but I really mean it's my pleasure to be here, because I'm not here to defend any budget, I'm not here to explain the actions of any members of my department. And if you give me a hard time, I'll just go home. So it's a pleasure to be here this morning.

I'm here as a representative, a paid representative, of Broadwater, compensated by them for representing them in forums such as this regarding issues of safety. Let me make sure that •• one point I always try to make at any forum, I'm compensated to represent them, I'm not paid to lie about them. And I hope that my reputation precedes me with you that anything I say is based on my own convictions, not based on any kind of twisting or turning of facts.

I want to commend Commissioner Williams and Rick Gimbl for what I thought was an excellent presentation. I was there at the original presentation made to Mr. Gimbl, at the time, the Commissioner was tied up at an emergency on the Expressway, and his questioning of the Broadwater representatives, the technical representatives, was outstanding. And, yes, there are questions, there are issues, there are things that still have to be resolved, as we know. We've heard that.

When I was asked to undertake this consultancy with Broadwater, I asked for information from them before I did anything, because I wanted to see what they had to say about safety. I reside in Miller Place, not far from the Sound, I intend to stay there, even though with the weather maybe I should reside somewhere else. My daughter and her family live in Rocky Point right off the Sound. So I have a stake in this •• in this environment, just as much as all of us. I wasn't about to undertake any kind of representation without some form of response from them that made me feel that at least I was dealing with some comfort zone as far as safety. And I am, I

feel I am.

Let me just, before I move into that main area, my concern is safety. On the area of security, since Legislator Cooper and some others have reached it, the prime agent for the security issues around any natural gas facility anywhere, on the water, on the land, on the water, the prime agent is a federal agency, and that's the Coast Guard. The determination of a safety zone or a security zone, of security measures that have to be taken both for the delivery vessels and the vessel itself, the barge or the facility itself, will be primarily in the hands of the Coast Guard. I just want to make sure everyone understands that. They will, in effect, call the shots as to how these tankers come in, under what conditions they will be met at the entrance to the Sound. Coast Guard regulations are rather specific already as to vetting out crews, etcetera, on these tankers. So that's the •• the whole security issue is still an issue that is not Broadwater's purview to deal with, because the Coast Guard will deal with it, and they will issue their regulations when it's an appropriate time during the FERC hearings.

There is •• as part of the regulatory requirements, Broadwater is, as you know, undertaking a security survey to be •• they've contracted with Guliani Associates to do a security survey that will become part of the hearing record. In other words, they will present from •• the Guliani group will present its findings, and then that will become part of the Federal Energy Regulatory Commission hearings. Those findings are not yet completed. They will be dealing with security.

I will reserve one comment if I could, I'll present it to you, I reserve my judgment on it, in seven years as Police Commissioner, I did come up against, you know, security issues, the whole issue of terrorism, the issue of terrorism as a function •• back in '97 when I first became Commissioner, I was introduced to the whole issue of the terrorist mentality. I think it's important that we look at what this represents in the eyes of a terrorist group. This barge, this floating gas facility, is not •• you know, I can say, I think, with some degree of comfort, it's not a prime terrorist target, it would not be. It doesn't give the terrorists the kind of, if you will, exposure to a spectacular event that some land-based terrorist activity would.

With that •• you know, there's nothing to say that it never could be a terrorist target, but I don't think it would be high on the list of primary targets.

Now about safety, I think what you have to do, and I'm not here as the expert, they have people here from Broadwater who are, but what you have to do in the area of safety is you have to look at •• every issue you look at is an issue of relativity as far as safety goes. You're looking at permutations, combinations, you're looking at mathematics, a probability theory really. Nothing is absolutely safe. When you sat in your parked car this morning determining whether or not you were going to try to get here, you were at a certain risk level by sitting in a parked automobile. The minute you turn the ignition on, turn the key and started the car and started down the road, your risk level went up. Now you're on an open road. It especially went up today if you were driving along the icy roads that I had to come on. So the safety issue is a relative issue.

You know, the issue of is it acceptable, is it an acceptable risk you are taking? That's the, I think, major risk assessment that has to be made. That's the conclusion I've come to so far. The facts that were so far assembled make me feel that there's an acceptable risk level. No activity is absolutely safe, it never will be. But there's an acceptable risk level, I think, taken as far as safety goes in the operation of this particular facility. Just take one little example of it, the escaping of the LNG, you know, letting it get out into the air, the ambient air becoming a gas, the storage facility is compartmentalized so that any kind of breach of the facility is a breach of a compartment. It would take, you know, enormous superhuman task of opening up the petcock, the valves, of every compartment at the same time to release all of the stored liquid natural gas at the same time.

So a shoulder•held missile, some other form of penetration of the hull of the vessel, and again, that's quite a feat itself given the number of layers of security around those hulls, would necessarily compromise the other compartments of the vessel. I'll just give you one example of why, you know, I can say, you know, I feel I can say that there's a relative safety to this

operation. There may be other concerns which all of you have, there may be other things that you do not like about it, but I think as far as safety goes, you're dealing with something that I think is satisfactory. In my mind, the risk assessment is relatively one you can take.

I had to take those kind of assessments for seven years many, many times in the Police Department. There's a risk here. The bolts on the rear end of the Crown Victoria vehicles, which were the exclusive police fleet vehicles, which proved to be danger missiles in a rear end collision, causing the vehicle to explode spontaneously, the gas tank, and causing deaths of police officers in other parts of the country. Ford Motor Company sent us a report showing us how they were going to take an action to correct that condition, put a sleeve around that bolt. It did not totally make that bolt risk free, but you took an acceptable risk level decision to let the cars continue to be purchased, because the acceptable risk was that they had reduced to an acceptable level the risk of those bolts becoming agents of combustion. That's the kind of thing, you know, you deal with almost on a daily basis in the Police Department. So that's why I feel that I can comfortably make a decision as far as the relative risk of this project.

CHAIRPERSON NOWICK:

Legislator Alden.

MR. GALLAGHER:

With that, I thank you.

CHAIRPERSON NOWICK:

Legislator Alden.

LEG. ALDEN:

Hi, John. And this isn't a new problem, but something you dealt with as Commissioner, what's your sense of the Coast Guard? They have been diminishing their presence on Long Island, and there's always the threat of closing, you know, more bases and transferring more of their operations off. If this was to be approved, do you think that they would be forced to expand their operations on Long Island?

MR. GALLAGHER:

The only thing I can conclude, Legislator Alden, is that they would have to •• they would have to, you know, commensurately provide the services that would be required by the federal regulation that they are the prime •• prime responsibility, that they're the prime responsibility for security. So it's a gut feeling I have that, yes, they would have to get back into the business, if you will, of being out here on the Sound.

LEG. ALDEN:

Thank you.

CHAIRPERSON NOWICK:

Legislator Carpenter.

LEG. CARPENTER:

To that point, I think the diminishing of resources were in the area of the helicopters, Coast Guard helicopters, that were redeployed to other areas. But I think their presence on the water had been pretty consistent, but it's a very good point. I just really don't have a question, but wanted to commend you for being so forthright, because I think in my 12 years in this Legislative body, it is the first time that someone who is here representing an entity was forthcoming and said that you were being compensated to do so. So it just speaks to your

credibility and the honor and esteem in which you're held. I just wanted to mention that.

MR. GALLAGHER:

Thank you very much. I haven't seen a check yet, I have to talk to them about that. My contract got screwed up down in Houston somewhere.

LEG. COOPER:

I would cash the check very quickly.

MR. GALLAGHER:

I haven't seen it yet, but I'm sure it's forthcoming.

CHAIRPERSON NOWICK:

Thank you, Commissioner.

MR. GALLAGHER:

Thank you.

CHAIRPERSON NOWICK:

Antonio Martinez.

MR. MARTINEZ:

Good morning. I am not here to speak about the Sound. I was actually here for something else, and I'm not sure if I can speak about that.

CHAIRPERSON NOWICK:

Certainly.

MR. MARTINEZ:

I can do that now? Okay. I'm here for the seat for the IDA policy, you know, establishing policy for appointments in the Board of the IDA. Let me start by thanking you for allowing me to speak and address you at this moment. My name is Tony Martinez. I'm a council representative for the Empire State Regional Council of Carpenters. I'm an organizer. And the fundamental purpose of our work is to elevate the standard of living of all carpenters on Long Island, that being union and nonunion. We have been doing this for over 123 years. And we're coming to speak to you regarding this IDA policy. Do you mind if I wait, there's seems like a lot of interruptions?

I'll continue. Anyway, we are the Empire State Regional Council of Carpenters and our purpose is to elevate the standard of living of all carpenters here on Long Island, union and nonunion. We are under an attack. You know, our wages are being attacked, our standard of living is being attacked here on Long Island. Some examples are workers from out•of•state, contractors from out•of•state coming to work on Long Island and not paying the area's standard wages. One example is the Hyatt. As you know, the Hyatt recently •• it was the former Colony Inn and the

Marriott Windwatch. Now it's under new ownership, and the new ownership is a company, Highland Hospitality from Virginia. The construction manager is from Florida, the General Contractor is from Annapolis, Maryland, and the workers are from Pennsylvania, Texas, Missouri, okay?

So this is one example of how our wages are being attacked and our standard of living. These men are getting about \$100 a day, okay? And in other examples, you know, hotels where IDA money had been provided, all right, and people are earning less than \$7 an hour. And we all know how expensive Long Island is to live. Right now, I cannot afford to move into another house. You know, it's like •• in other words, I'm kind of, you know •• and I make a pretty decent living, but you cannot live on Long Island.

So the point is that we're under attack right now, our standard of wages and benefits. And for this reason, you know, we're asking that this body passes this •• this, what do you call it, resolution, you know, to establish a policy that new board members into the IDA provide •• what do you call it •• agree to prevailing wage language in •• what do you call it •• construction jobs. For example, we have a construction job right now over in the Hauppauge industrial area, Standard Microsystems, and that's a \$20 million project. We've been fighting tooth and nails, but to •• you know, we still don't have a commitment from the owners, nor the owner's rep. You know, and we feel that when you have the Suffolk County, which is people's money, you know, helping a company like Standard Microsystems, who is doing very well in the market, it's a public company, okay, there should be some standards, and these standards should be prevailing wage language.

So we hope that this body passes this resolution and also the Sense Resolution about having prevailing language in the IDA projects. Thank you very much. We were supposed to have a more eloquent person come speak before you, but he got stuck in traffic.

CHAIRPERSON NOWICK:

You actually did a wonderful job. Sir, just one moment. Mr. Martinez, Legislator Alden has a question.

LEG. ALDEN:

The first job you mentioned, is that an IDA job too?

MR. MARTINEZ:

No. The job just started, and we're investigating it right now. But the second one, Standards Microsystem, is an IDA project. And •• but we don't have a solid commitment from the owner nor the owner's rep that prevailing wages will be paid.

LEG. ALDEN:

Now, the reason why one of those was put as a Sense Resolution was because we can't directly order the IDA to do anything. You know, it's an arm of government, but it's something that we don't establish the policy, rules or regulations in an IDA. You knew that, right.

MR. MARTINEZ:

Uh•huh.

LEG. ALDEN:

So that's why one is a Sense Resolution, and the other one is an attempt to get somebody to promise do so something, which we don't have the ability to force them to do that either. So, you know, just as a word of, I guess, information or caution, if somebody were to put themselves forward as a candidate or if we choose somebody as a candidate, they can make that statement to us that, yes, they will support prevailing wage and things like that, but there's no mechanism that we would have to actually go in and force them, even after they were appointed to that position.

MR. MARTINEZ:

We understand. So now, if you don't mind me asking the question, if the Suffolk County has the ability to appoint, right, but not demand, right, then what body has that ability?

LEG. ALDEN:

Well, actually, it's the individual that gets appointed. And for that period of time that they're appointed, we have to trust they are going to do something that, you know, like, they stated that they would do for us. If they take actions that rise to a level that we feel they've misled us or lied to us, then we can take certain steps to try to remove them from office, but otherwise, it would be until the end of their appointment. I'll give you a for instance. The Commissioner of Police came before this body and made certain promises and things like that that he wasn't going to do anything, change anything, any County policy or policing methods before he came back to us, because he wanted to work with us very closely. So this body, 18•0, went and confirmed the appointment of the Commissioner. Yet, two, three days after he left here, he starting doing things without coming back to us to explain to us like he said, he wanted to establish that dialog. So right now, we don't have the ability to do anything until his term expires, basically. So I just wanted to make you aware of that.

MR. MARTINEZ:

We ask that, you know, at least this policy •• just to get the ball rolling, you know, which would help Long Island •• Long Island workers on our economy.

LEG. ALDEN:

Good.

MR. MARTINEZ:

Thank you very much.

LEG. FOLEY:

Madam Chair.

CHAIRPERSON NOWICK:

Thank you. And just to •• I guess to make it more clear to you, it's almost •• when someone is placed on the IDA, they use their good judgment. It's almost like when you elect a public official, you hope that particular Legislator uses their good judgment, but nobody can tell them what to do. Legislator Foley.

LEG. FOLEY:

Yes. Thank you. Thank you, Mr. Martinez, for expressing the views of carpenters and also for the advocacy that the trade unions have given in a whole host of areas to elevate the economic well•being of hard working men and women in our County. So I want to thank you for that •• for that advocacy.

To answer one of your questions directly. The Sense Resolution is requesting the State Legislature to require prevailing wage language. Even though each county and cities have IDAs, they're creatures of state law, even though we make •• locally make the appointments to it. So there really is a two•pronged approach. One is to •• in fact, before this committee, where we make the appointments to the IDA, is to •• to use a word that's a little too strong •• to abstract promise at the very least to have on record our views that appointees should also strive to have prevailing wage language in all contracts with those companies that receive IDA benefits.

But secondly, it's to have the Legislature inscribe it in law that this would be •• this would be the law of the state so to speak. And that would supercede any request that we would make of any potential appointee, because it would be inscribed in law. So it's a two•pronged approach. Certainly the state •• state•wide chap, once we pass this resolution, which I'm sure we will, the state•wide trade unions certainly have a voice Albany. That would be the next logical step to take.

MR. MARTINEZ:

Thank you.

LEG. FOLEY:

Thank you.

CHAIRPERSON NOWICK:

Legislator Alden.

LEG. ALDEN:

Just another quick point, a number of years ago, Legislator Tonna and I put approximately half a million dollars into the budget of the DA's Office to enforce those very provisions. As you know, any time somebody has a contract with Suffolk County, it has to be by prevailing wage. So to investigate and make sure they were complying with that, Legislator Tonna and I, like I said, we put quite a bit of money into the DA's budget to ensure enforcement of that.

MR. MARTINEZ:

We understand that.

LEG. FOLEY:

I think that was of bipartisan support, Legislator Alden.

LEG. ALDEN:

Legislator Foley ••

LEG. FOLEY:

I think it was all of us, it may have been unanimous.

LEG. ALDEN:

It may have been. You're right. Way back when.

CHAIRPERSON NOWICK:

Thank you, sir.

MR. MARTINEZ:

Thank you very much. Again, thank you for all of your support.

P.O. CARACAPPA:

Thank you, Madam Chair. I know I'm not a member of this committee, but it is my bill. I just wanted to come in and just say very briefly that the policy I'm trying to pass here with relation to IDA is very consistent, absolutely consistent with the actions we have taken as a Legislative body as it relates to prevailing wage throughout the County on a whole host of areas. So this is like the final piece of the puzzle to get us to be consistent with everything that we have done. I think it makes sense. We should do everything we can to try to combat illegal labor throughout this County, and this is a good •• good step in doing so. So I just wanted to put that on the record. And if you are going to be tabling this, which I'm fearful you might be, I just wanted to put on the record that, without having to come back in to vote, which I could as Presiding Officer, that I would be absolutely opposed to that tabling motion.

LEG. ALDEN:

Which one? You have two on.

P.O. CARACAPPA:

The Introductory Resolution, not the Sense. The Sense I hope you pass.

LEG. FOLEY:

I'm ready to make the motion to approve that, Mr. Presiding Officer, both resolutions.

P.O. CARACAPPA:

I certainly appreciate that.

LEG. FOLEY:

We can debate it when we get to it.

P.O. CARACAPPA:

Again, you will debate that as a committee, I'm not a member. I just wanted to come and make those comments. I appreciate it, Madam Chair.

CHAIRPERSON NOWICK:

Thank you, Mr. Presiding Officer.

MR. MARTINEZ:

Thank you, Presiding Officer. Madam Chair, the gentleman who was going to speak about this is here now, do you think it would be proper for him to address the board?

CHAIRPERSON NOWICK:

Well, right now we have another card, so we have to go to the next card.

MR. MARTINEZ:

Very good. Thank you very much.

CHAIRPERSON NOWICK:

Sid Bail.

MR. BAIL:

Sid Bail, the person with the bad handwriting. I'm here to talk •• I'm President of the Wading River Civic Association. In the interest of candor and honesty, I'm also a member of a group called the Anti•Broadwater Coalition, so you know where I'm coming from.

The presentation that was made by the folks from Suffolk County at the beginning of the hearing, I didn't know it was happening today, was an excellent presentation, very informative. I also have to compliment them. Legislator Alden's observations that, you know, about Fisher Island, you know, there's a lot of focus on nine miles out. The LNG tankers would not at all points be nine miles out. I'm glad, you know, that you are aware of it. Another thing that isn't really covered, there's a lot of focus on the tankers themselves, you know, carrying what, one billion cubic feet of LNG, but the storage facility itself, the so•called mooring vessel, that's eight billion cubic feet of LNG.

John Gallagher's presentation. I don't know John Gallagher that well, but, you know, from everything everyone says about him, you know, he's held in high regard, he is an honorable man, and because you are paid to represent a particular point of view, that doesn't make you a bad person. If it did, you wouldn't have many people here speaking in front of you probably. One of the comments he made in his evaluation, he talked about acceptable risks, and in his judgement, it was. He gave you the example of the structure of one of these LNG tankers, they're compartmentalized. Most of these vessels have main compartments. And he said it's so well constructed that it's highly unlikely that if one of the compartments was ruptured it would have any affect on the other. In the Sandia lab report, for all its drawbacks, etcetera, it did mention the possibility that as many as three of the five containers could be breached, one

causing another one to ignite, etcetera, etcetera. It's what they call a cascading effect.

In earlier presentations that Broadwater, they made kind of, you know, suggested that this really wasn't, you know, something that would be likely to happen. There are some experts, people like Joseph Fay, who believe that it's possible to loss of entire vessel. Dr. _Jerry Havens_ is another who person feels this way.

CHAIRPERSON NOWICK:

Mr. Bail, time is up.

MR. BAIL:

Thank you very much for your time.

LEG. CARPENTER:

Thank you.

CHAIRPERSON NOWICK:

Thank you. Mr. Alan Ehl.

MR. EHL:

As Tony Martinez mentioned before, I was supposed to come and speak. Tony covered most of the subjects. I just wanted to go on record because I did meet with Joe Caracappa, and he did put the bill in as I had asked him to, and he felt it was the right thing to do. I just •• you know, everybody talks of •• I go to many jobs and so does Tony, IDA jobs, and we've talked to the people, a lot of them are out•of•state or making cash or minimum wage or whatever. And, you know, we talk to them, how do you live on Long Island, how do you survive at this rate. And talking to the owners, they say that's the way it is. I go well, you know, this is IDA, this is public money you're using here, you should have decent wages. I've heard this answer more than once, you know, the IDA, Suffolk County doesn't care. And I know that's not true, I'm just saying these are the answers they have.

By you guys passing this, this is something we have to come at them. I understand you don't have the power right now to tell somebody that they have to, but, you know, at least we could come back that, yes, Suffolk County does care, they passed the Sense, they passed the resolution, and they are looking forward, you know, into this. So it's something. It gives us a little more to say that they do care. Everybody talks about workforce housing, everybody talks about, you know, workforce housing, whatever, people living on Long Island and not be able to afford it, without this passing, these guys are just out there. I'm telling you, we've seen them from Tennessee, Florida, coming up here, making, six, \$7 an hour, living eight guys in a trailer. That's they way they operate, and they leave. They leave with our money. So I just wanted to go on record that I support this, because again, I did work with Joe on this. Thank you.

CHAIRPERSON NOWICK:

Excuse me one second, Legislator Alden has a question.

LEG. ALDEN:

We actually care a lot more than what's been stated today. If you or anybody else knows of instances where cash is being paid, things like that, because that underground economy hurts all

of us. So when somebody is out there, and they're paying their workers in cash, their work is off the books or whatever you want to call it, when they need something from us, they haven't paid any of their taxes, they haven't contributed to the support of society, so we're all picking up the tab for them for the hospitals, for the roads, for the police, for the water, for the air, for everything. And sometimes, to make it even worse, they might get hurt on the job, and now you and I as taxpayers, we have to go and pick that up for the rest of their lives.

So that their families don't suffer, we're going to have to make payments to them for the rest of their lives because they choose to go into an underground economy because they wanted to save a few dollars in taxes. Now, it's bad on the worker's part to do that, but it's even worse when an employer goes and does that, because he cheats all of society. He hurts every one of us as his neighbor, and he hurts every employer and every employee out there. And by saving that few pennies, and that's really what they do, it's actually killing society, because if everybody picked up their fair share, the burden on Suffolk County would be substantially cut for all of us, the guys that have to do it legitimately, like you. You know, you're a W•2 worker, you're paying your taxes. We're all W•2 in here, we have to pay our taxes. So they hurt all of us, and they cause more of a burden on us when they choose to operate that way. So if you know of anybody that's doing that, please let us know, because we do have things in place that will go out and take care of that.

MR. EHL:

And, you know, to follow up on that, we've done that, we've been working with Tom Spota, as you say before, with the money to the District Attorney, and he has been chasing that. And let me just understand that I worked with many of you before, and I know you all care, I wasn't saying that. What I'm saying is these contractors tell us Suffolk County doesn't care what we do with our money. I'd like to have as a comeback to them, at least I can say, you know what, you are right, there's no teeth in it right now, but they've said this already, this is on record that the Legislature said this is the way it should be. And it's a come back. I didn't mean that to anybody here. As I said, I've worked with many of you before, and you've all been great.

LEG. FOLEY:

Thank you.

CHAIRPERSON NOWICK:

Thank you. Next speaker is Jimmy Rogers.

MR. ROGERS:

Good morning, members of the committee.

CHAIRPERSON NOWICK:

Good morning, Mr. Rogers.

MR. ROGERS:

I know Tony covered most of •• I got here late, so I didn't hear what he had to say, but I know he covered a lot of what I would speak about on the IDA. But I just wanted to mention that in the Town of Babylon where they have it, they have the apprenticeship language and the prevailing wage attached to it. It's been •• it's not a cure•all, but it is a help. And in Nassau County, the county has it. The Town of Hempstead also has it. And again, it does help us out with this underground economy, money leaving the County, not being put back into the local economy.

And Tony had mentioned the situation that we are going through right now at the Hyatt Hotel right over here in Hauppauge. In my industry, painters, drywall finishers and paper hangers, I mean, we have a lot of work over there that we're losing. We've bent over backwards speaking with the general contractor that the Hyatt is using. We actually told them that we will have our

contractors go in their and bid the labor rate on the wallpaper at 65% of our regular rate. On the painting end, we told them we would do it at 50%. So our contractors went in there, gave the numbers, and the contractor got a call back saying that the numbers were still double of what these guys can come in from out•of•state and do. So, I mean, we're losing all the way around on something like that.

So not that the Hyatt went through the IDA to get this money to do this renovation, but maybe they could have, and there are other businesses and industries that are doing this where it would be the same scenario, the local economy. These guys are making the money from Texas and Idaho and Maryland, they're making the money, they're staying here and doing the work, then they're going back and spending it there. They're probably not even paying local taxes, they're probably not paying the state tax, because their company is out•of•state right now. So if anything, it would be a little bit more of an incentive on them to use local contractors, more checks and balances to keep it honest, because, I mean, we speak all time about this stuff. It's day in and day out, you know, members are out of work right now, and they're looking at us, you know, to go out there. Isn't there anything you can do? So we're looking to you to help us out and do the right thing on this. Thank you.

CHAIRPERSON NOWICK:

Just a quick question, so I understand you correctly. For example, you're talking about the Hyatt which was the old Colony Hill?

MR. ROGERS:

Right.

CHAIRPERSON NOWICK:

So you're saying the companies come in from out•of•state and bring in a crew to do the work that you would have been doing?

MR. ROGERS:

Right.

CHAIRPERSON NOWICK:

They come and they stay at hotels for as long as it takes?

MR. ROGERS:

Yep. I mean, if you go over there, you'll drive through the parking lot, you'll see pickup trucks with blue tarps over the beds of the pickup trucks, and the license plates say Texas and Idaho and Missouri and all that kind of stuff. And they have a rolling crew that will go around going •• you know, when we were in there, we saw one of the guys going through •• rummaging through his truck to get a sweatshirt to put on. They're kind of living out of the truck, and they're staying in •• normally the hotel will put them up. But the general manager said, I'm not using my rooms for this, and they're staying somewhere else. We don't even know where they're staying. They might be sleeping in their truck for all we know. But to be able •• we're going in at 50% of our rate, and our numbers are still double. God only knows what they're getting, five bucks an hour.

CHAIRPERSON NOWICK:

Gee, I had no idea. Thank you for bringing that to our attention. Yes, Legislator Foley.

LEG. FOLEY:

Just on that point. These businesses should know that if you're willing to negotiate that kind of rate, they could still make a fair return on their investment. That's the myth that they try to say that it's such an expensive place to do business here in the Metropolitan area if you're from other parts of the country. But if, in fact, these rates can be negotiated to the point, James, as you just mentioned, one would have to believe that the business involved would still make a fair return on their investment as opposed to, again, this race to the bottom where, you know, they may get a much larger profit, but it's at the expense of the local economy.

MR. ROGERS:

Right. And, you know, in their answer to us and what they hang their hat on is because the owner of the hotel is a public company, this Hyland Hospitality, and they give us the •• it's our fiduciary responsibility to our shareholders to make sure we get the lowest price no matter what, but they forget about their responsibility to the local community that they are in. You know, that goes out the window and they're worried about the shareholders, so. Thank you.

CHAIRPERSON NOWICK:

Thank you. Okay. I think we're going to go on to the agenda.

LEG. COOPER:

Lynne, I just wanted to ask a question of John.

CHAIRPERSON NOWICK:

Go ahead. Legislator Cooper has a question for John. Please state your name.

MR. HRITCKO:

My name is John Hritcko, and for the record, it's H•r•i•t•c•k•o. I'm Senior Vice•President and Regional Project Director for Broadwater.

LEG. COOPER:

John, I wanted to thank you and John Gallagher for sticking around a few minutes. When I had met privately with several representatives of Shell and Trans Canada four or six weeks ago, one concern that I had raised •• well, I had raised a number of concerns, environmental concerns and health concerns and public safety concerns, and I had also expressed that I did have more confidence in decision making by New York State environmental agencies and public health agencies than I did in the Federal Government at this point to act to protect the interests of Long Island residents, New York State residents.

And at that time you had said, I believe it was you, John, who had said that there were a number of New York State agencies that would need to sign off on this project, grant their approval, issue permits, issue lease rights, and that, therefore, if any of these state entities were not comfortable that the project made sense and was safe that it would not move forward. Could you just reiterate that again for the record.

MR. HRITCKO:

Yes. And also to amplify on that remark, there has been some remarks made in the press here within the past week or so indicating that Broadwater seems to indicate that all we need is the approval from the Federal Energy Regulatory Commission in order for us to go forward on this project, and that is certainly false. That's never been anything we have said, and it's never been our understanding. Broadwater will and must obtain all applicable permits and authorities in order for it to go forward, that includes those required by the State of New York.

And in addition, while this process that we're going through right now of gathering information, the NEPA prefile process as we call it, NEPA being the National Environmental Protection Act, process that was structured by FERC, we have incorporated participation from the various state agencies, especially the Department of Environmental Conservation in order to gather the appropriate information so that we can meet their needs as well. But again, we need to have permits and approvals from all appropriate state authorities before we can proceed forward, not just the Federal Energy Regulatory Commission. So if we don't obtain those, the project cannot go forward.

LEG. COOPER:

Now, I had told you at that meeting that if that was, indeed, the case, it would provide some reassurance, at least for me, about some of the concerns I've had. But I've subsequently read in numerous media, I believe there was a statement from Attorney General Spitzer's Office last week along these lines that really raises the issue of state's rights. And it's now my understanding that what you said, although it's accurate to a certain extent, that state's rights can be trumped at the federal level, if the Secretary of Commerce, for example, decides to override New York State agencies, there are concerns that he has the ability to do so. And this may be ultimately the overriding question here. And I know that there are several elected officials at the state level and I believe the federal level that are calling for a clarification on this key issue, but it may not be resolved for months or perhaps years.

My question to you is one •• I would think one very simple way of settling this issue immediately so we can move forward hand in hand on furthering this project, if that remains your goal, would be if Broadwater would be willing to enter into a legally binding agreement with either Suffolk County and/or with New York State that would repeat what you basically already just said before us, that if any state agency that you say has the authorization right now to deny approval or to deny a permit or to deny a lease, if any of these New York State agencies do come out in opposition to this project for either public health, safety or public safety reasons ••

CHAIRPERSON NOWICK:

Legislator Cooper, if I could just interrupt for a minute. Parks starts at 11 o'clock and maybe ••

LEG. COOPER:

I'm going to, but it's a very important question. Whether you would be willing to enter into a legally binding agreement with Suffolk County or New York State saying that you will set aside the issue of state's rights, the question of whether or not the Secretary of Commerce could intervene adversely in this case, and if any of the New York State agencies do, indeed, take a position against this, Broadwater would withdraw your application? And I think if you were willing to do that, and I'm sure that Legislative Counsel would agree, we could come up with a legally binding agreement. That would really settle this entire issue. And you may not be able to answer that today, but the next Legislative Meeting when we'll hopefully be voting on the Sense Resolution taking the position on this project will be Tuesday, and my hope is that •• I look forward to getting your comments now, but that would give you five or six days to get an official position from Broadwater on this.

MR. HRITCKO:

I can only comment based on what I've been advised by our Counsel, I'm not an attorney myself. But to get to your point, yes, there is a question or concern about the jurisdiction

between federal and state levels. Broadwater, as you can imagine, will comply with any and all applicable laws necessary in order to complete this project. That's a statement that I can make today. Whether or not we could or should or would be able to enter into any sort of agreement, as you say, that would either contractually commit us or even be legal is another matter. I couldn't even begin to answer that question. I'm not even sure that such a document would have any meaning in light of the discussions that are going in the legal •• the court battle that's under way today in the Federal District Court in San Francisco. So I won't be able to respond to that, and I'm not certain that I really know the answer, nor would I know that I would have the answer by, say, next week. It's an interesting proposition, but one that I believe while it may provide comfort at the County level or at the state level, I'm not so certain that it would really have any meaning given the nature of the authorities and the •• between federal and state agencies here that are well beyond the scope of Broadwater's ability.

LEG. COOPER:

Could you, John, at least do me a favor and run this up the flagpole and bring it back to ••

MR. HRITCKO:

I could certainly say I would •• I would bring that back to our legal and management and ask them about that and get back to you. I would simply ask that •• would the proper way in which to address that, would that be by direct communication with you?

LEG. COOPER:

You certainly could and you could cc the Chair and the other members of the committee.

MR. HRITCKO:

All right.

LEG. COOPER:

Thank you, John.

MR. HRITCKO:

Thank you.

CHAIRPERSON NOWICK:

Legislator Alden has one question.

LEG. ALDEN:

Just for the record, there's a fundamental here that Broadwater would have to enter into a lease agreement with New York State to moor the boat.

MR. HRITCKO:

That's exactly right.

LEG. ALDEN:

Which I don't know if that's even a question of federal and state rights, because that's in the Constitution that the state has, you know, jurisdiction over its boundaries, and that's not a federal •• it's not a federal waterway, it's not controlled, owned or in any way, shape or form

federally dictated as far as automatically that they can tell you through the federal process that you can put your •• you know, moor your boat there. So New York State ultimately has to decide whether they want to even do that as far as lease you the property. If they say no to leasing you the property, you can get all the, like, FERC and all that kind of stuff, you can get every permit that you want, you're still not going to be able to do the project, so.

MR. HRITCKO:

Exactly.

LEG. ALDEN:

I understand the legal wrangling that's going on over the licensing of this type of facility, but still underlying it is the proposition that New York State is going to have to approve a lease for that •
• for property for you to go and moor boat there.

MR. HRITCKO:

Exactly. And that's why I said we will obtain all those permits and authorities that we have to prior to moving forward. We cannot move forward until we obtain things like that lease.

LEG. ALDEN:

Thanks.

CHAIRPERSON NOWICK:

Thank you. Okay. We're going to go to the agenda.

TABLED RESOLUTIONS

1975. Adopting Local Law No •• 2004, a Charter Law to streamline County Government by abolishing the Airport Lease Screening Committee. (COUNTY EXEC)

CHAIRPERSON NOWICK:

Do I have a motion?

LEG. SCHNEIDERMAN:

I'll make a motion to table it.

CHAIRPERSON NOWICK:

Motion to table by Legislator Schneiderman, seconded by myself. All in favor? Opposed?

LEG. FOLEY:

Opposed.

CHAIRPERSON NOWICK:

Legislator Foley is opposed to tabling? Anybody else? Legislator Cooper is opposed. **TABLED.**
(VOTE:4•2•0•0)

(Opposed; Legis. Foley and Cooper).

1030. Approving the appointment of Diana D. Schmidt as a member of the Suffolk County Motion Picture/Television Film Commission.

(COUNTY EXEC)

CHAIRPERSON NOWICK:

Let me just say, we spoke about this •• well, we spoke about this last time. Ms. Schmidt is in Hollywood in the process of making •• producing a movie, and she won't be able to be here for sometime. She •• we did speak about it at the last meeting, and we said if we could get her here, fine, but I'm inclined to •• because she is going to be in Hollywood for so long, and because she's qualified, and we are trying to ••

LEG. ALDEN:

Through the Chair.

CHAIRPERSON NOWICK:

Yes.

LEG. ALDEN:

You haven't had an opportunity to talk to her, she's not going to be here, so how can we appoint her to a commission that she's not even going to be able to attend meetings? I think that's very improper. Let's just keep it tabled. She can come before us when she gets done making a movie in Hollywood, and then at a point, if we decide to pass it along •• but right now, we •• you know, we don't even know who she is.

CHAIRPERSON NOWICK:

Okay.

LEG. ALDEN:

Motion to table.

CHAIRPERSON NOWICK:

We have a motion to table by Legislator Alden.

LEG. COOPER:

Second the motion.

CHAIRPERSON NOWICK:

Seconded by Legislator Cooper. All in favor?

LEG. SCHNEIDERMAN:

On the motion.

CHAIRPERSON NOWICK:

On the motion, Legislator Schneiderman.

LEG. SCHNEIDERMAN:

You've talked to her, I haven't talked to her. My suggestion might be to discharge ••

CHAIRPERSON NOWICK:

No. We had a ••

LEG. SCHNEIDERMAN:

My thinking is maybe we should just discharge without recommendation, and maybe she will have an opportunity to come before the full Legislature.

LEG. COOPER:

She won't.

CHAIRPERSON NOWICK:

She's not going to be able before the full Legislature, because right now, she is in Hollywood. It's not going to be forever, but if we want to ••

MR. HOGAN:

Madam chair, I believe she said she will be able to make the next meeting.

CHAIRPERSON NOWICK:

Okay. We'll table it one cycle.

LEG. SCHNEIDERMAN:

All right. Table it one cycle.

CHAIRPERSON NOWICK:

All in favor? Opposed? **Tabled (VOTE:6•0•0•0).**

1041. Approving the purchase of a used snow blower for the Department of Economic Development and Workforce Housing, Division of Aviation. (COUNTY EXEC)

LEG. ALDEN:

Motion to table.

LEG. FOLEY:

Motion to approve, Mr. Chair •• Madam Chair.

CHAIRPERSON NOWICK:

We have a motion to table which supercedes the motion to approve.

LEG. ALDEN:

I'll withdraw my motion to table.

CHAIRPERSON NOWICK:

Motion to approve by Legislator Foley.

LEG. FOLEY:

This is one of the most mundane pieces of ••

CHAIRPERSON NOWICK:

We don't have a second.

LEG. FOLEY:

•• resolutions I've seen.

LEG. SCHNEIDERMAN:

Isn't 1135 doing the same thing?

CHAIRPERSON NOWICK:

Yes.

LEG. FOLEY:

Forty one was sponsored last month. I don't why there's competing resolutions on such a ••
let's just say, such a basic purchase item.

CHAIRPERSON NOWICK:

Legislative Counsel, can you just explain it?

LEG. FOLEY:

I don't know how we're going to even engender any debate, quite frankly.

LEG. SCHNEIDERMAN:

Can we take 1135 out of order?

LEG. ALDEN:

There's no Department of Aviation, is there?

CHAIRPERSON NOWICK:

Okay. We have a motion to table ••

LEG. ALDEN:

No. I withdrew the motion.

CHAIRPERSON NOWICK:

Motion to table has been has been withdrawn. We have a motion to approve by Legislator Foley with a seconded by Legislator Cooper. All in favor? Opposed?

LEG. ALDEN:

Opposed.

CHAIRPERSON NOWICK:

Opposed.

LEG. CARPENTER:

Opposed.

LEG. SCHNEIDERMAN:

Opposed.

CHAIRPERSON NOWICK:

1041 has **failed**. (VOTE: 2•4•0•0) (Opposed; Legis. Alden, Nowick, Carpenter and Schneiderman).

INTRODUCTORY RESOLUTIONS

1112. Establishing policy for appointments to the Board of the Suffolk County Industrial Development Agency. (CARACAPPA)

LEG. FOLEY:

Motion to approve.

CHAIRPERSON NOWICK:

Motion to approve by Legislator Foley.

LEG. COOPER:

Second the motion.

CHAIRPERSON NOWICK:

Seconded by Legislator Cooper. All in favor? Opposed? **Approved. (VOTE: 6•0•0•0).**

1135. Approving the purchase of a snow blower for the Department of Economic Development and Workforce Housing. (O'LEARY)

LEG. ALDEN:

Motion to approve.

CHAIRPERSON NOWICK:

Motion by Legislator Alden, seconded by Legislator Schneiderman.

LEG. FOLEY:

Just on the motion, can you please explain the difference between the two bills? Just for the record.

LEG. ALDEN:

I can do that. There's no Department of Aviation •• Division of •• up here where it refers to Economic Development, Workforce Housing, Division of Aviation. It doesn't exist.

CHAIRPERSON NOWICK:

It's a technicality. Okay. 1135 has been **Approved. (VOTE: 6•0•0•0).**

TABLED SENSE RESOLUTIONS

S•008. Sense of the Legislature resolution in opposition to the proposed Broadwater Energy Project. (COOPER)

LEG. COOPER:

Motion to approve.

LEG. SCHNEIDERMAN:

Second.

LEG. CARPENTER:

On the resolution. I'm going to make a motion to table. I know there are a couple of these on the agenda; there's a moratorium, this is in opposition. I think based on the presentation that was made earlier in committee by Joe Williams and Rick Gimbl of FRES, they are in the information gathering stage, and whether we ask for a moratorium or an out right opposition, I think that's it's incumbent upon us to get all the information that we can. So I'm going to make a motion to table.

LEG. COOPER:

Madam Chair.

CHAIRPERSON NOWICK:

Legislator Cooper.

LEG. COOPER:

I respectfully disagree. I really believe that further delay plays into the hands of the proponents

of the Broadwater project. I believe that I've received more than enough information at this point concerning potential health risks, environmental risks, public safety risks that it's clear to me that this project should not move forward, that we should not use the Long Island Sound as an experimental station, so.

LEG. FOLEY:

On the motion.

LEG. COOPER:

Motion to approve.

CHAIRPERSON NOWICK:

Okay. Do we have a second to the tabling motion by Legislator Carpenter. We have a tabling motion by Legislator Carpenter. Do we have a second on the tabling motion? I'll second the tabling motion for purposes of discussion. And just to put on the record here, at the beginning of this meeting, I was inclined to vote this up or down, this tabled Sense Resolution, but now we've spoken about bringing in more experts in the field of safety, and I think that Legislator Alden had requested maybe having somebody come before Public Safety from the firm. So it seems to me that more information needs to be gathered. I and I think because of that, maybe a tabling for one cycle might be the way to go.

LEG. ALDEN:

On that, though.

CHAIRPERSON NOWICK:

I think Legislator Foley was first.

LEG. FOLEY:

Thank you, Madam Chair. The point raised by the sponsor of the bill is good one. While we can get into some of particulars of safety, environmental concerns and the like, there's a broad •• there's a broader issue of what we want the Long Island Sound to look like in the future. Do we want to endorse a policy, a corporate policy, of industrialization and commercialization of the Sound? There's also issues of potential precedents being set where others could come forward with similar platform proposals in the future. Part of the reason why we're moving forward now is if we don't move forward, the concern is that there will more •• there will be a developing momentum to try to get this thing forced through the regulatory bodies, both locally as well as on the federal level.

We know this is going to take a number of years, however, we need to •• those of us who have on a broader policy level have made, along with many communities and along with many, many elected officials from the local right up to the federal level, we need to early in this process state in broad terms what our concerns are and why some of us are opposed to this. The burden will then •• and quite rightly, the burden should be placed upon the applicant to, in effect, respond to our initial opposition. So if we wish to wait to marshall all the facts, well, all the facts really won't be •• won't be known •• all the facts won't be known until there are FERC hearings many years down the line. But by that time, it will be far too late. And one the great successes that we've learned, particularly from the days of Shoreham which was a true debacle, that proposal, where at the time, the initial moment that that was proposed, the promise was that nuclear power would be too cheap to meter.

So the fact of the matter is we should early in the process state where we are in broad policy terms, especially when it comes to a national estuary, one of only 23, as I understand it, in the country. The fact remains that this would open the door to further industrialization and

commercialization of the Sound, which I think would be a dangerous precedent. So that's why I second the motion to approve. I hope we can get this to the full body by next Tuesday.

CHAIRPERSON NOWICK:

Legislator Alden, I believe is first, then Cooper. Legislator Carpenter.

LEG. CARPENTER:

All right. Thank you. I just don't want anyone misconstruing. I would really like to have, and not the firm, but our emergency •• our designated emergency manager for the County, the Commissioner of FRES, come before the Public Safety Committee, and •• from that public safety perspective. And Mr. Gimbl said that he felt that he would have the rest of that information gathering completed, Legislator Foley, within the next month. So I don't think a month is going to be problematic. And certainly, certainly I for one would not want to endorse or have anyone misconstrue that waiting for some information means that I support the industrialization of the Long Island Sound. I have had a long proud record of supporting our environment, especially when it comes to the water on both sides of this Island. But I still feel strongly that we should wait, bring them before Public Safety and then make an informed decision.

CHAIRPERSON NOWICK:

Legislator Alden.

LEG. ALDEN:

I don't agree with the proposition, I don't disagree with the proposition. I know that there is a lot more information that I'd like to see presented to this Legislative body before we even react to that. But on a more basic note, I respectfully disagree with Legislator Foley in that, you know, we're not setting the policy by debating this Sense Resolution. And we really haven't gone into

the commercialization of the Sound. We've heard a couple of pieces of testimony that stated, you know, that people are opposed to the commercialization of the Sound, but as I pointed out at a prior meeting, I sat on the docks there many, many days watching barge after barge of garbage come out of New York City right through the Sound and go out into the ocean. I watch tankers come •• come into the Sound everyday, I watch submarines leave on the other side.

So as far as the Sound being a pure and pristine body of water that nobody uses for commercial purposes, I think we might be taking some kind of mushrooms or something if we think it's a pure and pristine body.

LEG. FOLEY:

Well, I don't think anyone is saying that.

LEG. ALDEN:

Do we want to go into that direction? That's a good debate that we should have. I would like to see it, you know, nice and clean and preserved for future generations, but we're not having that debate over this. We're talking about a specific project that is years away at best from even the initial approvals. And I see it as premature to just go and •• you know, we still don't have all the facts, we still don't have all the testimony. We don't know what the effect of waves is going to be on the leak, whether it's going to freeze. And Legislator Nowick brought out a good point. Can that whole thing freeze and end up on the beach somewhere in a season when, you know, little kids are running around on the beach? We should know that before we go and say, yea or nay for a project like this. And then, that should lead into a broader debate on what we want to see done with the Sound and what we can actually affect as far as change, whether we can ratchet down the amount of industrialization or commercial use of it or whether, you know, we are stuck with what's going on there now.

CHAIRPERSON NOWICK:

I have to agree with Legislator Alden, whether we •• if we table it for 30 days, and I don't even think it's 30 days, because I think we are meeting pretty soon.

LEG. CARPENTER:

Yes. If I could just respond. The gentleman from FRES said they felt about a month to gather more information. So I was going to wait until they had that to have them come before Public Safety. We are meeting in two weeks again. I would say the meeting after that would be when I felt comfortable.

CHAIRPERSON NOWICK:

And the only reason for the tabling, it's not whether we're opposed or we're for, it's because 30 • • let's assume 30 days for information gathering, and let me just say, I think that I heard that this project wouldn't even be in its infant stage until 2010, if that's correct, so I don't know if 30 days is going •• is going to make a difference here. It's just information gathering so we can do our due diligence and so we can tell our constituents that we have learned both sides, and this is what we decided to do. Legislator Cooper.

LEG. COOPER:

If I thought that the due diligence period would be another two weeks or four weeks, it would be another matter. It's not going to be one cycle. One cycle will turn into two, which will turn into three, which will turn into six, and there's no way we can get answers to all these questions. As was testified, this is a project like none of us have ever seen anywhere in the world, anywhere in the world, and they're proposing it •• I don't care what they do in California, I don't care what they do off the coast of Norway. But this is the Long Island Sound. And it's already suffered abuse over the years. We've spent upwards of \$200 million in taxpayer dollars to try to restore the Sound. The devastation, economic and otherwise, caused by the lobster die•off, on and on

and on. And for us to not act in this case, it is sending a message, it's not saying that •• it is sending a message that we are okay considering the possibility of ratcheting up the industrialization of the Long Island Sound to a level that we've never seen before. I'm not talking about a small oil tanker coming back and forth.

CHAIRPERSON NOWICK:

Okay.

LEG. COOPER:

Excuse me.

CHAIRPERSON NOWICK:

I'm sorry.

LEG. COOPER:

I'm sorry, Angie, but if you had a question that you thought was important, I'd let you ask the question. This is very important to me and my constituents. If Broadwater was sincere and wanted to resolve this, and I'm sorry, when they've testified that state agencies can stop this project, as I've explained to them both privately and publically, that I do not trust the Federal EPA any longer, I don't trust the Federal Government, I don't trust the Bush Administration, they don't care about the Long Island Sound, they've cut the Long Island Sound protection funding by 93%, they're proposing to dump dredge spoils long term in the Long Island Sound, and I don't •• I don't trust FERC, I don't trust the Federal Government. I do have more confidence in New York State environmental agencies, New York State Department of State.

And I told Broadwater when they •• I met with them privately, and they said, Jon don't worry, if any of these state agencies don't sign off on this, the project is dead. And that was the first time I heard that. And I said, boy, if that's the case, it will go a long way towards persuading my concerns. Then I found out that's really not the case. And there's this whole issue of state's rights that may not be resolved for years, it may end up in the Federal Courts somewhere. And the Secretary of Commerce, I understand, does have the right to intervene. And the issue that Legislator Alden raised about the lease, even there, if the Federal Government declares a state of emergency, they can supercede that right.

So if they want to move forward with this project, and they're investing 40 to \$50 million of their money in moving this project forward, and I made a comment earlier, they must know something that I don't know, because I wouldn't risk 50 million bucks of my shareholders' money unless I was pretty sure that this was going to be approved in the end. And if they wanted to really reassure us on this point, they should jump at the chance to enter into a legally binding agreement, which they can certainly do. I run a manufacturing firm, and I know the types of agreements that can be entered into, and they can do it if they want to. So if they were willing to enter into a legally binding agreement with Suffolk County or New York State stating that state's rights issues aside, if any state agency that they claim has the ability to stop this project was willing •• came out in opposition that they would withdraw their application, then that would be good enough for me. I don't think that they will do it, but if they could do it and that allow them to move this project forward, then, hey, I'd be willing to withdraw my Sense Resolution in opposition. They've got until Tuesday, and they can get an answer by Tuesday.

CHAIRPERSON NOWICK:

Legislator Schneiderman.

LEG. SCHNEIDERMAN:

I know that some of my colleagues would like more time to conduct further risk benefit analysis for the Broadwater proposal, but as a Legislator representing the South Fork of Long Island, I've yet to see any potential benefit at all that this could provide to my constituents, only potential risks. And even though we may not know the full scope of those risks yet, it's clear that those risks will outweigh the benefits, since the benefits are zero. And I think this is one of those times where we need to send a strong signal, and I think delays in sending this signal sends a very mixed message. I'm not going to support the tabling. I think we need to pass the Sense Resolution and let the powers that be understand that Suffolk County is opposed to Broadwater.

CHAIRPERSON NOWICK:

Okay. Legislator Alden.

LEG. ALDEN:

Just in response to one thing that Legislator Schneiderman just said as far as the benefits being zero. I wholeheartedly disagree, because there's been a presentation that economically and with the free market system, there's a possibility that the people in Suffolk County and the people in the Metropolitan area benefitting either by price or by volume supply and things like that. So there has been presentation of facts that there might be •• might be some benefits to all of Long Island.

And another thing I'm going to point out here, whereas clause, the ecology of the Long Island Sound will be negatively impacted by a facility of this enormous size. I haven't heard one piece of testimony scientific testimony, that establishes that fact in bedrock for me. And the second •• the next paragraph after that, whereas a potential for disaster whether resulting from an accident or an act of terrorism would impact one of the most densely populated areas of the country with a population of 2.8 and minimal needs of evacuating the Island (sic), where's the testimony? We asked and raised questions that need to be answered on that very point. They haven't been answered. There's no shred •• there's not even a shred of testimony on either one of those as far as scientific data, how it would impact us. Maybe it's going to be a major

negative disaster, but we haven't heard the testimony yet.

CHAIRPERSON NOWICK:

Okay. We have a tabling motion by Legislator Carpenter, seconded by Legislator Nowick. All in favor? Opposed?

LEG. SCHNEIDERMAN:

Opposed.

LEG. FOLEY:

Opposed.

LEG. COOPER:

Opposed. Tabling motion fails. Opposed is Schneiderman, Foley and Cooper. Tabling motion fails. We have a motion to approve by Legislator Cooper, seconded by Legislator Foley. All those in favor?

LEG. ALDEN:

Abstain.

LEG. CARPENTER:

Abstain.

CHAIRPERSON NOWICK:

Legislator Carpenter and Legislator Alden have abstained. This is **approved. (VOTE:4•0•2•0) (Abstentions; Legis. Alden and Carpenter).**

S.011. Sense of the Legislature resolution in opposition to the re•licensing of the Millstone Nuclear Power Plant. (CARACCIOLO)

LEG. CARPENTER:

Motion.

LEG. SCHNEIDERMAN:

Second.

CHAIRPERSON NOWICK:

Motion to approve by Legislator carpenter, seconded by Legislator Schneiderman. All in favor? Opposed? **Approved. (VOTE:6•0•0•0).**

S.012. Sense of the Legislature resolution requesting a moratorium on the Broadwater LNG Project. (CARACCIOLO)

CHAIRPERSON NOWICK:

Motion by myself, second by Legislator Schneiderman. All in favor? Opposed? **Approved.**
(VOTE: 6•0•0•0).

S.013. Sense of the Legislature resolution requiring prevailing wage on all Industrial Development Agency projects. (CARACAPPA)

LEG. FOLEY:

Motion.

CHAIRPERSON NOWICK:

Motion by Legislator Foley, seconded by Legislator Cooper. All in favor? Opposed? **Approved.**
(VOTE: 6•0•0•0).

PROCEDURAL MOTION

No. 3. Procedural Resolution to retain counsel for the purpose of representing the County of Suffolk at the Federal Energy Regulatory Commission in connection with a

proposed liquid natural gas project in the Long Island Sound. (CARACCIOLO)

LEG. ALDEN:

Motion.

CHAIRPERSON NOWICK:

Motion by Legislator Alden, seconded by Legislator Carpenter. All in favor? Procedural motion Number 3 has been **approved. (VOTE: 6•0•0•0)**

LEG. FOLEY:

On the motion.

CHAIRPERSON NOWICK:

On the motion, Legislator Foley.

LEG. FOLEY:

Thank you, Madam Chair. This is counsel for FERC, should we also give consideration to any state regulatory proceedings? We'll approve this today for the Federal Regulatory Agency, but I also would want on the record that we should seriously entertain being an intervener on any of the state regulatory agencies that will be reviewing the Broadwater application as well.

LEG. ALDEN:

Put it in a resolution.

LEG. FOLEY:

We will. I just wanted to state it on the record. Thank you.

CHAIRPERSON NOWICK:

Do we have a motion to adjourn? Yes. By me, seconded by Legislator Cooper. All in favor?
Opposed? Meeting is adjourned.

(* THE MEETING WAS ADJOURNED AT 11:54 A.M. *)

_ _ DENOTES BEING SPELLED PHONETICALLY