

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 16, 2011.

MEMBERS PRESENT:

Legislator Wayne Horsley - Chairman
Legislator Steve Stern - Vice-Chair
Legislator Thomas Cilmi
Legislator Ricardo Montano
Legislator Lynne Nowick

ALSO IN ATTENDANCE:

George Nolan - Counsel to the Legislature
Joe Schroeder - Budget Review Office
Joe Muncey - Budget Review Office
Renee Ortiz - Chief Deputy Clerk of the Legislature
Eric Kopp - County Executive's Office
Yves Michel - Commissioner - Economic Development
Carolyn Fahey - Economic Development
Paul Perillie - Aide to Majority Caucus
Bob Martinez - Aide to Legislator Montano
JP DiMartino - Aide to Chairman Horsley
Brendan Chamberlain - County Executive's Office
Dot Kerrigan - AME
All other interested parties

MINUTES TAKEN BY:

Donna Catalano - Court Stenographer

(*THE MEETING WAS CALLED TO ORDER AT 2:00 P.M.*)

CHAIRMAN HORSLEY:

May we all stand for the Pledge of Allegiance.

SALUTATION

May we all stand for a moment of silence for the men and women who fight for our freedoms both home and abroad and for the people in Japan and all they are going through in this moment of crisis.

MOMENT OF SILENCE

Thank you. Welcome to the Economic Development, Higher Education and Energy Committee Meeting of March 16th. It looks like I have one card from Thomas Gernon who is from Pallets-R-Us. Thomas, are you here? Come on over, Thomas. I remember Pallets-R-Us. Come up to the podium.

MR. GERNON:

I hope you remember good things.

CHAIRMAN HORSLEY:

You used to be on Wyandanch Avenue? I was the Town Councilman and helped put in -- it was a cannoli factory across the street. I know Wyandanch Avenue well. For the record, Tom, would you please state your name and just what you are here -- cost of business on Long Island.

MR. GERNON:

My name is Tom Gernon, I represent Pallets-R-Us. Actually, I was asked by the gentleman from LIPA/National Grid to come in and say a few words about the cost of doing business on Long Island.

Our fuel costs, our health care costs, our taxes are constantly rising. And what we're trying to do is we're just trying to exist, and we're trying to come up with ways to save money. National Grid helped us get going. They looked over our shoulders when we were building our, and they helped us pick out all energy-efficient lighting, heating fixtures and stuff like that and helped us get a rebate close to \$40,000. So it helped us get going and stay in business.

CHAIRMAN HORSLEY:

Thank you very much for coming down and telling us. Let me first state that -- to thank you for coming down and to also give my friends at National Grid a thank you for helping a company that is on the Town of Babylon as well as the Town of Brookhaven. And I appreciate it. I have we had a presentation today that may have interfaced with National Grid maybe not in such a positive light. So it is good to share the good and the bad.

MR. GERNON:

Thank you very much.

CHAIRMAN HORSLEY:

Tom, thank you for coming down. I appreciate it. How's business, by the way?

MR. GERNON:

It's a slow grind. Right now it's costing us a buck fifty a mile to travel any place. We just don't know where we're going to go. We are actually looking into alternatives fuels, propane, something to drive our trucks around. We're shaking our head every day. It's a slow grind, as I said.

CHAIRMAN HORSLEY:

Thank you very much. Good luck to you.

MR. GERON:

Thank you very much.

CHAIRMAN HORSLEY:

See you soon. As I mentioned before, we did have several presentations scheduled today, but for several reasons, they were unable to make it. But one of the issues, just so I can brief the committee here quickly, and it did involve National Grid/LIPA is in mind a serious issue has come up with -- LIPA is requiring security deposits years after a company has been opened and paying bills, because they have apparently spotted problems on corporate Dun and Bradstreet reports. It's sometimes quite substantial, upwards of -- they were looking for security deposits of the company that came to me recently, a deli, that they wanted \$6000 for a security deposit, and they're going to hold it for 36 months and then they'll give it back to them if they're okay, if they pay their bills, even though the business has been business for 15-20 years.

And we are going to do a -- my office is going to do a little survey of the business community to see how -- how extensive this security deposit reaches that LIPA has been doing. I just -- my feeling is after -- here are these corporations who are oftentimes paying their bills, paying their LIPA bills, and they're hanging on by their fingernails, got through the recession, and now are being attacked by LIPA for these security deposits. It just seems to be to be not a good business model.

And of course, the flip side of that, so you know, there's two sides to this issue. The other side is that LIPA is saying that, "Well, we need to secure deposits because there is a statement that they may be at risk at some point in their business career, and we want to -- we want to make sure that if they go out of business and they don't pay their final bill with us, that it doesn't stretch out over to the rest of their -- their customers." I don't buy it. I just think it seems anti-business, and I think it's a wrong thing to do for a public authority. But anyway, yes.

LEG. NOWICK:

You know, it's funny that you mentioned this. I was going to bring this up somewhere. You are absolutely right. I know of a small business that reopened under a different ownership, but it's the same name and the same place, it's the same business that had the same LIPA and the same meter, and yet, they took a \$2800 deposit for three years. Now, talk about hurting people going into business. That's a lot of money for three years.

CHAIRMAN HORSLEY:

It's not only companies that are new companies or restarting by name, these are companies that have been in business for 15-20 years and beyond, always paid their bill, but because a note was placed in their file on a Dun and Bradstreet report, that they -- that they are asking for these security deposits. And as I say, \$6000 for deli. And I've got a list of them.

LEG. NOWICK:

For a small business that was already there. And I cannot understand. If a company doesn't pay their bill -- I mean, they didn't do anything differently; they didn't set up new meters or anything like that. A company doesn't pay the bill, you write them a letter and say, "We're shutting off your electric." If you need help on that, I am in.

CHAIRMAN HORSLEY:

So I had a presenter here that was going to tell their story. Apparently, I have found out recently that LIPA is working with customers to make out payment plans now for -- and they don't want

to -- because they allow them to do -- out of fear that they're going to have their lights turned off, they're working out a plan for them. So the fellow -- the deli, for instance, who had a \$6000 bill he's faced with, he is now going to pay \$450 a month to go to the security deposit for a whole year until he reaches 6000. So he's afraid to speak, because he doesn't want to -- he doesn't want to ruin the deal that he's made with LIPA to pay this security deposit. To me, it's a level of extortion. I know that's a strange term, but it angers me.

LEG. NOWICK:

I don't understand why LIPA needs to take so much money as a deposit something that has already been there. I mean, what is that? Like you said, it's extortion.

CHAIRMAN HORSLEY:

It's a level of extortion.

LEG. NOWICK:

But they have no choice.

CHAIRMAN HORSLEY:

They have no choice, otherwise they're going to have their lights turned off or not have them turned on.

CHAIRMAN HORSLEY:

But usually companies have, you know, some sort of a security deposit if they're just starting out, but this is -- this is businesses that are already existing, have been paying bills for many, many years. It just seems to be anti-business and job-killing. Yes, Rick.

LEG. MONTANO:

Question. Is LIPA expected to come in and -- to the Chairman. Are you, in presentations, expecting LIPA or have you invited LIPA to come in and discuss this shift in policy with us also?

CHAIRMAN HORSLEY:

It's a good idea. I have spoken to them.

LEG. MONTANO:

The reason is that -- you know, I agree with you, if a company has been in business for 15 years and they've paid their bills, then why ask them for a security deposit now, because it's going to go back in three years anyway? So They already have a track record. But the flip side of that is does LIPA have a problem with companies that are going under that they are not being paid for? In other words, is there --

CHAIRMAN HORSLEY:

That would be their argument, that that's the reason why they're doing this. So they're doing it proactively before they even get into trouble.

LEG. MONTANO:

That's the thing. They are not doing it because they are experiencing a problem. Here's what I'd like to know from them: Are they experiencing a problem today with a high rate of companies going under and sticking them for unpaid bills, or are they just saying that, " Well, we think this might happen in the future, and therefore, we're taking preventive action"?

CHAIRMAN HORSLEY:

I think we're on a bird of a different feather, but that's my impression from what -- from people I've spoken to. Sure. I'd be glad to invite them here. I'm going to be doing a survey to find out the

extent of it; how many we're dealing with. You know, if I can, I'm going to reach out to the chambers and things like that to get their membership -- hopefully they'll be able to send it out to their membership and we'll get some feedback.

LEG. MONTANO:

Okay. Thank you.

CHAIRMAN HORSLEY:

All righty. So anyway, that was my story today. And that has been cancelled, but I wanted to bring to at least bring it to the attention of this committee. Okay. I have a request from the -- anyone else like to speak? We are good? Come on up. Good afternoon. Your name, sir.

MR. ABBATE:

My name is Arthur Abbate. I'm a Suffolk County resident, and I'm also the Credit and Collection Manager for LIPA and National Grid.

CHAIRMAN HORSLEY:

Good. Welcome.

MR. ABBATE:

I just thought -- I recognize you may want to have a longer conversation with us at some point. We invite it, to be honest with you. I've been in my current role since the mid 1980's. I will tell you, in 1991, we did put this program in place. So what we're doing we've been doing for about 11 years.

We experience loss from new businesses that go into business, folks protect themselves by forming corporations, and rightfully so. But when new companies open up their services with LIPA or National Grid for that matter, we seek a deposit. And the deposit you're talking about is equal to two months billing. Somebody quoted a very large amount for a delicatessen. Sadly, that is what it costs to run a delicatessen over two months. So, you know, that's just part of the reality of the world that we live in.

CHAIRMAN HORSLEY:

Well, the deli I was talking about has been in business with the same owner for, I believe, 15 to 20 years. And suddenly, the letter came.

MR. ABBATE:

And we do look at accounts where they are currently accounts of ours. We are experiencing an upturn in bankruptcies and people going out of business in this economy. And it is affecting our bottom line. This is not a new program, though, I must underscore to you. It's something that we have done for quite some time, 20 years to be exact. You know, when a company like LIPA or National Grid, for that matter, loses money, that money ultimately gets passed along to all the ratepayers.

CHAIRMAN HORSLEY:

Which I was fair enough to mention that that was the case.

MR. ABBATE:

And you were. Please, I'm not saying you weren't fair in any way. I'm just suggesting that part of the reality of the world that we live in is that when people are going under and they are leaving is with a final bill, we have no alternative but to write that off. And those funds do get passed on to all the ratepayers. So it is a difficult situation for us to manage.

We've recently had some fairly large bankruptcies. The last large bankruptcy we had was A&P where LIPA lost a considerable amount of money. Now, you should know, A&P had paid all of their bills right up to the current time. And what we lost was what was on the meter, plus the current bill that had not been paid yet. It was still not -- it hadn't reached its due date. And when we added up all of the costs associated with that, LIPA lost a great deal of money.

Recently there was another bankruptcy of another company that cost us a considerable amount of money as well. Same situation; they paid all of their bills on time. They had been in business for years. Sadly, we got stuck with the final bill. Utilities are unique in that we bill after our services have been used. So we not only bill you, but then days later or 28 days later, the bill becomes due. By that time, you've used our services almost two months ago.

So we need to find a way to -- I like to think of it as a balance with the number of programs at LIPA to help small business -- I was delighted to hear the gentleman come up from Pallets-R-Us talking about what's been done on his behalf. And hopefully, that will help to keep his company on Long Island.

But as far as our business is concerned, we need to bring balance. Helping new businesses, helping to protect ourselves from loss, which is passed on to all businesses is quite a challenge. We also -- as you suggest, we work out terms with people. We're not necessarily looking for cash from people for securities. We will take letters of credit or Surety Bonds, which is an insurance policy that says if this person goes broke, that an insurance company will pay.

I can tell you, I go back many years to 2002 when K-Mart went bankrupt. We had a Surety Bond. We saw this coming. We had a Surety Bond. Many utilities lost millions of dollars, LIPA lost nothing, not a dime, because we were prepared, and we managed to catch this before it became a problem. This is our goal, and this is what we're trying to do.

So the balancing act for us is to make sure that we protect ourselves going forward when we have information about people who may have problems. Incidentally, what we do, we reach out to customers and we talk to them, we try to address their concerns, we give them an opportunity to prove to us that maybe there was an error in the information that we have if we pull a Dun and Bradstreet report. So there's a lot of dialog that goes on with people. We talk to them about deposit alternatives. And then frankly, if, in fact, they do present a risk to us, we make terms with them. The gentleman you're talking about, we made an eight-month agreement for \$305 a month to pay that security off.

CHAIRMAN HORSLEY:

No. The one was I was referring to was 495 for 12 months.

MR. ABBATE:

Okay.

CHAIRMAN HORSLEY:

Rick, I will call on you one second. I just want to, just in retort, I think the angst is that we are feeling from not only your customers, and we are reflecting your customers, is that many of these companies have been in business for years and years, paid their bills, and because some sort of glitch showed on the Dun and Bradstreet report, that you felt that that was okay now to go after a security deposit.

Now, I know -- I looked at your tariff and I talked to your company. And your tariff was instituted in I think 1998, which says that you can go after these security deposits -- you may go after, may or could was the operative word in the tariff for -- and was approved by your trustees back in 1998.

To my knowledge -- you're saying this goes back for many, many years that you've been doing this. There seems to be ramping up of this process of using the Dun and Bradstreet, and that's what I'm going to find out; exactly how many, because I was told last week by your offices that it was 35 customers went out last week.

I don't believe that for -- I'm getting three, four, five calls a day of people reporting to me that you are going after them and putting them in a position where they are going to be in jeopardy. So I'm not so sure about the accuracy in what you're telling me. As much as I do -- I believe you to be personally honest. But, A, does my deli owner have to pay for A&P, for their problems? And frankly, you can go to Bankruptcy Court and you'll probably be reinstated those dollars anyway. A&P is a major corporation who has assets and stuff like that.

MR. ABBATE:

From your mouth to God's ears. I hope it does happen that way.

CHAIRMAN HORSLEY:

Why does Mike in my deli have to pay for A&P? I know you're going to get something back in Bankruptcy Court.

MR. ABBATE:

Please don't take me the wrong way. I'm only using A&P example because it's egregious and large.

CHAIRMAN HORSLEY:

I know that. And I'm only using Mike at the deli as an example.

MR. ABBATE:

When you add up the number of delis that do go broke on Long Island, and sadly, many of them are in business, if you took a look at me, I'm doing my best to keep the delis open on Long Island. Sadly, it's not just the A&Ps. That was really more of an example. I do submit that what we do here is consistent with the State rules and regulations.

CHAIRMAN HORSLEY:

I didn't say -- I didn't accuse you of breaking any regulatory -- I saw that it was in your regulation. But I am no so -- where I come to differ with you on your facts is that I'm thinking -- I think that LIPA has a policy of ramping this up in the last month or two. We have been in a recession for how many years? And suddenly -- these phone calls weren't coming three or four months ago. It started around January it appears, the new year, and it seems to have moved forward that this is the corporate policy of LIPA who is a public authority and is there to help our businesses and not put them out of business. Legislator Montano.

LEG. MONTANO:

Thank you. Just a quick question. In the normal scheme of things, I would imagine that both on a residential and on a commercial basis that there is a certain percentage of either tenants or property owners that somehow wind up defaulting at the end of either a lease or, you know, a term, a foreclosure in a given year, and the same thing with businesses.

Now, the question I have is are you stating that there has been an uptick in either the amount that LIPA is losing either residentially or commercially, or are you instituting this policy as a preventive measure in light of the economic conditions that you see now and the possibility that you or the projection that you might experience an uptick, which one is it?

MR. ABBATE:

It's both. It's both. We are seeing an uptick. And, yes in this economy --

LEG. MONTANO:

What percentage would you say?

MR. ABBATE:

I'm sorry?

LEG. MONTANO:

What percentage, is it 5%, 10%?

MR. ABBATE:

Off the top of my head, I couldn't say.

LEG. MONTANO:

I agree with you, off the top of your head --

MR. ABBATE:

You always put these in relation to your revenues.

LEG. MONTANO:

Excuse me?

MR. ABBATE:

I said you always put the percentage of the uptick to what your revenues have done. So I couldn't say off the top of my head, but I will tell you there's been a noticeable uptick. I think that, in your case anyway, you know, going forward, we are concerned. And like I said before, for us, it's about trying to bring some balance to this thing and try to make sure that we do try to secure ourselves and also try to be as lenient as possible with the customers out there, because we do recognize that we are a public authority. We do recognize that we need to do what is necessary in order to do our level best to try to help the customers through this period, but on the other hand, to protect all the other customers that the losses go to.

LEG. MONTANO:

Right. And I'm not disputing the fact that you need or you have the need or the urge to be prepared for what might come. What I'm really interested is what is the existing uptick and what do you see in terms of whether it be percentages. You know, are you getting 10% more of defaults this year on the residential side?

And then -- I don't expect you to answer this now because it's not something that I think you were prepared to come in, and I don't want a, you know, off-the-top-of-my head answer either, but I think that is an issue that either justifies the shift in policy or explains it or, you know, compels us to feel that maybe it's not justified, because the -- you know, this is a normal turn of events. I mean, every business whether it be a law practice, a deli, a bodega, whatever, you know, that works in this fashion. There are always accounts receivable that we're not going to collect. So that's really how you're looking at. You're looking at these accounts receivable that you're going to be unable to collect, and then that lack of funds is going to be passed on to the average ratepayer. So when you do come before us, if you could have some of that data, I would be appreciative, because that's what I'd like to hear.

MR. ABBATE:

I would be happy to when the time is right.

LEG. MONTANO:

Thank you.

MR. ABBATE:

Thank you.

CHAIRMAN HORSLEY:

Legislator Nowick, you have a question. Aren't you glad you came up?

LEG. NOWICK:

You actually lost, I guess, the bet today.

MR. ABBATE:

I drew the short straw. You know, all kidding aside, I'm actually glad to have the opportunity to at least address you folks and just try to put things in the context that I see them and hopefully dispel some things that may not be totally correct. So that's really what I'm trying to do.

LEG. NOWICK:

I just wanted to ask you a question. I think I heard you say that when you're taking the initial deposit, whether it be from a new business or a business that was existing, whatever it is, did you say that it's based -- the amount of the deposit is based on two months of what somebody would use, a business would use?

MR. ABBATE:

Yes.

LEG. NOWICK:

Two months. I mean, that deli can't use \$6000 worth of LIPA in two months.

LEG. MONTANO:

Sure they can.

MR. ABBATE:

I'm sorry to tell you, but they can.

LEG. NOWICK:

A deli can?

MR. ABBATE:

Yes.

LEG. NOWICK:

Okay. Be that as it may, I'm not disputing it, but I do know a business that the bills from LIPA are maybe 300 a month, and the security deposit was \$2800.

MR. ABBATE:

I would love to know who that is, because we would never do that.

LEG. NOWICK:

Okay. Can we call somebody? Do you have the name of somebody we can -- you know what happens too, I think they probably would like to help, but I think that in fairness to LIPA, they are very, very busy and probably the notice just goes out to the company and it says, "This is what we figure. This is what it is." There's nobody who comes and sits with the new owner and says, "Let's

talk, let's negotiate."

And the other thing is even if they collected 2800 on maybe the two month's cost, 600, they keep it for 36 months, three years.

MR. ABBATE:

Yes.

LEG. NOWICK:

Seriously?

MR. ABBATE:

Three years of prompt payment history. That's under State Regulations. All the utilities do the same thing. We do pay interest on it.

LEG. NOWICK:

If I came over to you, maybe you can give me the name of someone this business owner could talk about and show what the bills are. And maybe they will renegotiate to see where that deposit was so way over what the bills are.

MR. ABBATE:

I am only too happy to do it myself.

LEG. NOWICK:

Fine. I will come over. You will be sorry.

MR. ABBATE:

I do it every day.

CHAIRMAN HORSLEY:

Thank you, Legislator Nowick. Mr. Abbate, I think some of the criticism, at least the ones I've been hearing, is that some of these folks have been paying for years. And it's because of some sort of glitch on the -- and I'll use that better terms, because I don't know what the individual issues are, to be fair, they may be major, I don't know -- but the fact is that these people, these businesses -- and it's not just Mike the Deli, I just use him as an example like you did A&P -- that they are -- they are telling me that they have been on payment for years in business, and they have never not paid LIPA on time or, you know, have had problems with you. Suddenly, out of the blue, comes this missile in a letter form saying you owe and put it down, we want it now, and there's no bargaining involved. Only until they start calling and crying to you that Ms. {Bossy} will then say, "Well, let's talk terms. Maybe we will let you pay on a monthly basis, whatever," which I applaud. I think it's better than not allowing them to do that, because you could put somebody out of businessman with that kind of attitude.

MR. ABBATE:

With all respect, in the letter itself, it does tell the customers, "If there's anything that you need to bring to light to indicate to us that this is not correct, we're more than happy to discuss that with you." We're not trying to be heavy-handed at all.

CHAIRMAN HORSLEY:

I think what it is, it just comes out of the blue. And that shocks any business owner when their local utility just asks for a big check, "We have found on your Dun and Bradstreet or something that you may have some credit considerations." It's just throwing people left and right. And again, Mr. Abbate, I'm going to put out a survey. I'm hoping that -- what I fear is that this is

something -- - this is a consideration you're saying goes back to 1993. I'm not so sure that you have been enforcing it all those years. I think this is a new policy, a new direction a new concern for you and that you're ramping it up.

MR. ABBATE:

Ninety-one we go back to. It's not a new policy. It's been in place. I don't know what to tell you. I do appreciate, again, the opportunity. I also appreciate the fact that this has been, I think, a very nice discussion around this issue. I understand your position and what you are dealing with in terms of your constituents. I appreciate the opportunity to at least bring forward my side of the story and those things that I have to deal with on a daily basis.

CHAIRMAN HORSLEY:

Thank you, Mr. Abbate. We do appreciate it. And the fact that you're here and talking to us is something that I applaud.

MR. ABBATE:

Thank you.

CHAIRMAN HORSLEY:

All right. Let's move. The first -- anyone else like to be heard? I didn't expect that one to last so long. But I understand that we have a gentleman that would like yo be taken out of order very because he's a very bust person, and that is **1112, Appointing Michael Wudyka to the Suffolk County Motion Picture/Television Film Commission (COUNTY EXEC)**.

Mr. Wudyka, would you like to come up? So let me -- before you make a statement, I will make a motion to take this out of order, seconded by Legislator --

LEG. CILMI:

It's the first resolution.

CHAIRMAN HORSLEY:

Oh, let's do it.

MR. WUDYKA:

Thank you. I appreciate everyone's time.

CHAIRMAN HORSLEY:

Welcome. Mr. Michel was has been so anxious to get you up here that I just didn't even bother to look. I'll ask you why you would like to be on this board and why should we accept you on this board?

MR. WUDYKA:

My name is Michael Wudyka, and I'm also owner of the Enclave Inn Hotels. I have five small hotels out in the Hamptons. Also, I own East Hampton Studio which is a 30,000 square foot soundstage in Wainscott in East Hampton. And it's one of the few approved New York State Tax Credit. There's \$2 billion of tax credits, and we're one of the approved New York facilities for that.

I'm also on the advisory counsel for the Creative Coalition, which is an advisory board with writers, producers, directors and actors and actresses that raise advocacy for the arts. I'm Chairman of the East Hampton Media Advisory Counsel, which is also -- helps bring different media inside the Hamptons and other areas as well as sitting on the Board of Directors for the Red Cross and a couple of others.

I have been working now with Michelle Stark and all the different people in one way or another on the commission for quite a while. And I just have a passion for it. I have businesses that basically revolve around the production and bringing business out to the East End and throughout Suffolk County. And I have a certain exposure and certain mediums that I have had the ability to raise attention and awareness to the Suffolk County Film Commission.

CHAIRMAN HORSLEY:

Thank you very much. I can see why Mr. Michel is anxious to get you on the board. Are there any questions? Okay. Very good.

LEG. STERN:

Motion.

CHAIRMAN HORSLEY:

Legislator Stern makes a motion to approve, seconded by Legislator Cilmi. All in favor? Opposed? So moved, it's been **APPROVED (VOTE: 5-0-0-0)**. You don't have to be there for the vote on Tuesday to the general board because you came to the committee. We thank you. And we want to wish you luck and thank you for your service.

MR. WUDYKA:

I really appreciate everyone's time. Thank you so much. Thank you.

CHAIRMAN HORSLEY:

Okay. Going back to the Tabled Agenda, **1033, To terminate lease with Eastern Long Island Solar Project (Presiding Officer)**.

Do you want to make a motion to table? Why don't get the motion on the floor, and then we'll ask the questions.

LEG. MONTANO:

Let's make a motion to table for the purposes of discussion.

CHAIRMAN HORSLEY:

Right. I'll second the motion. For purposes of discussion, Legislator Montano.

LEG. MONTANO:

This was introduced by the Presiding Officer, so -- did he ask to have it tabled?

CHAIRMAN HORSLEY:

Counsel.

MR. NOLAN:

My understanding is the Presiding Officer would like to table this today?

LEG. MONTANO:

Okay. And I certainly, you know, have no issue when the sponsor wants to table a resolution. Is there anyone from the County Attorney's Office here? I saw Gail earlier.

MR. KOPP:

This didn't appear on the original agenda.

LEG. MONTANO:

No problem, we're going to table it. My only point is that when this first came up as an issue, I

understood that, you know, somehow it was going to be resolved, that we would move forward with the company, and that the issue of non-Long Island people being assigned to work on the project was going to be addressed for the remaining projects, but the one project that is in partial stage of completion is in Brentwood, which is in my district, and that that would not be covered by whatever modifications to the contracts were made. Do you want to come up, Eric? I'm talking to you in your seat. I don't know if you want to respond.

Just let me make my statement for the record and, you know, we'll move on. Now, the reason I had asked for the County Attorney to come forward is that when this issue was first presented to me in my Legislative Office by the representatives from the company, we were given assurances that local labor would be involved in this project.

Local labor, to me, means people from the community and people from Long Island. And then I found out after there weren't local people. That they were, you know, placed from other areas, people from, you know, off Long Island that were coming in on a project that we had sponsored. And we had this big press conference at the Brentwood Train Station which said we are approving this great, you know, this great project, and it's going to benefit not only the 1800 homes that we would generate electricity for, but that we would provide for local labor. And I'm just wondering where the ball was dropped in terms of giving us the guarantees that we thought we had about local labor.

And I'm not going to put you on the spot, Eric, because it's not -- I'm prepared to table it, but I would like at some point to have that discussion.

MR. KOPP:

We'd be happy to have that discussion. Like I said, it did not appear on the agenda that was circulated, so it sort of caught us off guard. And it just appeared within the last couple of minutes back on the agenda. So the people who might have addressed your concerns, we didn't bring along.

LEG. MONTANO:

I understand.

MR. KOPP:

We're happy to do that next time.

LEG. MONTANO:

I actually thought the issue had been addressed, but the questions lingers in terms of what happened. And we'll deal with that another time. Right now --

MR. KOPP:

I am aware there's still ongoing discussion that are going on regarding this project, and the Presiding Officer's been involved with them as well.

LEG. MONTANO:

Okay. All right. I appreciate it.

MR. KOPP:

Sorry we can't do more.

CHAIRMAN HORSLEY:

Legislator Cilmi.

LEG. CILMI:

Eric, I have more questions for you. If you can take them back -- and maybe through the Chair I can ask if the County Executive's office could make a presentation to this committee at our next meeting on the status of this project, because some of you may recall that I had some very significant questions about this resolution when it first -- this proposal when it first came to us last year.

As I recall, there was a date certain in the bill that these solar carports had to be built. If I'm not mistaken, we are way passed that date. Furthermore, I can't imagine if these solar carports had been installed, what the impact would have been with the snow that we received this season; trying to get the snow off of these parking lots with the big pay loaders that were necessary to do it. Trying to work around these solar carports I think would have been a nightmare.

Thirdly, I mean, we talked for 20 minutes just now about the redistribution of costs associated with LIPA not -- you know, LIPA's customers going bankrupt, and therefore, the costs associated with the nonpayment of their bills have to be redistributed to rest of the rate base. But, I mean, this was \$125 million redistribution of cost to the rate base. You all may remember, the County got \$9 million out of this deal, and it's costing LIPA for the power purchase agreement \$125 million. I mean, how many houses -- how many customers --

LEG. MONTANO:

I believe that it was the equivalent of 1800 homes.

LEG. CILMI:

Eighteen hundred homes. I don't know how many homes there are in Suffolk County or on Long Island, but I'm sure it's much more than 1800. So anyway, I would like a complete accounting of where we're at with this project at our next meeting, again, through the Chair. And I look forward to hearing about it. Eric, if you could just make sure that that happens.

MR. KOPP:

We will do that. And the next meeting is moved up a week earlier, right?

CHAIRMAN HORSLEY:

April 13th.

MR. KOPP:

It's a week earlier than you might expect it would be, I think.

CHAIRMAN HORSLEY:

You are good, Eric.

LEG. CILMI:

Mr. Chairman, if I could, just one more item on that same issue.

CHAIRMAN HORSLEY:

Okay.

LEG. CILMI:

Joe from Budget Review, maybe you remember, was it April of last year that these things were supposed to be at least started or done or?

MR. SCHROEDER:

Initially, conversations with the vendor, they were suggesting that they had to get started by last

April because they had materials ordered and specifications written. In conversation I've had with Public Works, there are still outstanding issues relating to some of the permitting process. That's still under review. There is currently a stop work -- to my knowledge there is still currently a Stop Work Order on the project that was started at Brentwood pending resolution of some of the questions that DPW had regarding the permit application.

They were given a conditional permit in December, but by the end of January, they hadn't satisfied the questions, so work was stopped. I know that according to DPW, they have purchased -- the vendor has purchased a lot of the equipment necessary to do the project, and it is sitting waiting to be put up. So that's costing them money as they wait.

LEG. CILMI:

I mean, the one redeeming factor of this was that it would create some local jobs, at least on a temporary basis, because I think at the time, they talked about it only creating one or two permanent jobs locally, but that there would be temporary jobs for our labor. And if that's not happening either, then that's a real problem.

CHAIRMAN HORSLEY:

Mr. Montano.

LEG. MONTANO:

Thanks for bringing that forward. I mean, I drive by the Brentwood Train Station daily, and I see the poles are up, but I really wasn't quite aware -- I must have missed this. I mean I know that no progress has been made on that, but I was not aware that there was a Work Stoppage Order in affect. And I don't sit on Public Works. Who has that -- who has that information; is it the Department of Public Works or your office that can get it to me most expeditiously? I'm curious as to the Work stoppage Order went into affect?

MR. SCHROEDER:

Based on feedback to Public Works, the Stop Work Order was issued due to lack of feedback on questions that DPW had of the vendor when the conditional permit was issued.

LEG. MONTANO:

So it has nothing to do with town ordinance or the Planning Department in the town? It's strictly between the vendor and the County of Suffolk; is that correct?

MR. SCHROEDER:

To my knowledge, that's correct.

LEG. MONTANO:

Okay. Thank you. We will look into further.

CHAIRMAN HORSLEY:

Okay. So, Mr. Kopp, on behalf of the committee, this is an invitation to address the issue that Mr. Cilmi is interested in. You don't need a letter or anything like that. You're good? We'll work it out between our folks. Good. Okay. Excellent.

CHAIRMAN HORSLEY:

Okay. I think we have a motion to table. Are there any other motions? The motion was to table by Legislator Montano and me, seconded by me. So we have a motion on the floor, all those in favor? Opposed? So moved. It's been **TABLED (VOTE: 5-0-0-0)**.

All right. The next bill is **1160, Accepting and appropriating a grant award from the U.S. Small Business Administration, for a Green Technology Workforce Initiative 100% reimbursed by Federal funds at Suffolk County Community College. (Co. Exec.)**

May I have a motion?

LEG. STERN:

Motion.

CHAIRMAN HORSLEY:

Motion by Legislator Stern, seconded by Legislator Nowick and to be also placed on the Consent Calendar. Is that all right with you, Mr. Stern?

LEG. STERN:

It is.

CHAIRMAN HORSLEY:

It is. We now have a motion to approve. All in favor? Opposed? So moved. It has been **APPROVED** and placed on the **Consent Calendar (VOTE: 5-0-0-0)**.

1227, Establishing the Long Island First Working Group. (Horsley).

This is a new bill. This is my bill. If you will see that there's an article that was written Long Island Business News in front of you, [Group Forms To Stimulate Local Economy Through Branding](#).

This came about when Mr. White through Regional Planning Board presented the sustainability report. And one of the issues that came up was to -- I think he called it in the sustainability report, By Long Island First. And the concept -- at least the thought was of Mr. White's and the Planning Board was that we would -- we would create a board that would initiate a branding of Long Island and have a website and access to all the things that are sold on Long Island and sell Long Island to Long Island of all the things that are here.

And that expanded to include not only tourism and the like. But we cut the name down a little bit shorter, Long Island First. And we have been working with Nassau County. And my colleague on this bill is Ms. Denise Ford, who is Chair of Economic Development for the Nassau County Legislature. And we have put together this resolution.

I was originally going to table it, but I decided to put it forward, because Nassau came forward yesterday with their -- with their wants and needs for this bill to make it run through the Nassau County Legislature. So I think this is a regional approach to selling Long Island to Long Islanders. I think it is a great idea. I'm hopeful that this board will push it forward to the Legislature. Let me make a motion to approve, seconded by Ms. Nowick. And on the motion, Legislator Montano.

LEG. MONTANO:

I'm just thinking out loud. There are 29 members on the committee?

CHAIRMAN HORSLEY:

Uh-huh.

LEG. MONTANO:

And what's this 15-member working group? It says -- the 7th Resolved, that 15 members of the working group shall -- oh, okay. I see. Okay.

CHAIRMAN HORSLEY:

There is a Steering Committee, and it's going to be made up of two each -- nine members; it's going to be four from Nassau, which would include Mr. Michel and -- four from Suffolk and four from Nassau. And the tie-breaking vote, if there is such a thing, will be made by Mr. White, the Chair.

And what they will be doing on that committee will be forwarding the resolutions for consideration to the larger body, who would meet less often. So that's what makes it more manageable, I know, if there's a concern about manageability. But what it does, it puts in the room for the first time I think ever a lot of the different power structures on Long Island to talk about selling Long Island to Long Islanders. So their vision would be that we'd have a logo, that there be a website on what is being made on Long Island, what is being sold on Long Island, what kind of farm products are out there. All these things will be included on a central website so that everybody can buy Long Island first.

LEG. MONTANO:

And the financial impact is only \$5000, right? But it's only a \$5000 fiscal impact, because that's all we're budgeting for.

CHAIRMAN HORSLEY:

That's it.

LEG. MONTANO:

Okay.

CHAIRMAN HORSLEY:

In fact, I anticipate that there will be monies that will be provided for this organizations, because there's going to be union buy-in on this, there's going to be different groups that will be part of this; the LICVB and others.

LEG. MONTANO:

But not County money.

CHAIRMAN HORSLEY:

Not County money.

LEG. MONTANO:

Right. And will Nassau also be contributing \$5000 for their share?

CHAIRMAN HORSLEY:

They are supposed to.

LEG. MONTANO:

They are supposed to.

CHAIRMAN HORSLEY:

We'll leave it at that.

LEG. MONTANO:

All right.

CHAIRMAN HORSLEY:

Legislator Cilmi.

LEG. CILMI:

Thank you. First of all, let me say I applaud the sponsor's intentions here with this bill. I think the intentions are right on point. I do have some questions about why government has to play this role. But I'm going to abstain on the bill out of committee just to get some of those questions answered, which the sponsor and I have spoken about and will continue to speak about before Tuesday's General Meeting. And then I'll decide what to do exactly on that date. Thanks.

CHAIRMAN HORSLEY:

Okay. So we have a motion to approve. All in favor? Opposed?

LEG. CILMI:

Abstain.

CHAIRMAN HORSLEY:

One abstention. **APPROVED (VOTE: 4-0-1-0; Abstention - Legis. Cilmi)**

The next bill is **1235, Authorizing funding for Suffolk County Cultural Programming for 2011. (Co. Exec.)**

LEG. MONTANO:

Motion.

CHAIRMAN HORSLEY:

Motion by Legislator Montano, seconded by Legislator Stern. All those in favor? Opposed?

LEG. MONTANO:

On the motion.

CHAIRMAN HORSLEY:

On the motion.

LEG. MONTANO:

These are the resolution -- I just wanted to clarify. These are the resolutions that were on the calendar at Tuesday's meeting, which the County Executive withdrew? That's what I'm asking, are these --

MR. NOLAN:

No, they are not.

MR. CHAMBERLAIN:

Mr. Chairman, this resolution is 1235. This was not on the agenda last week.

LEG. MONTANO:

How about the other ones there? Are these -- are any of these the ones that were withdrawn?

MR. CHAMBERLAIN:

I believe the resolution before us is 1235.

LEG. MONTANO:

Right. But what I'm asking you is that are any of the resolutions on this agenda the resolutions that were withdrawn at last Tuesday's meeting.

MR. CHAMBERLAIN:

The answer is yes.

LEG. MONTANO:

Okay. We'll get to those later. Thanks.

CHAIRMAN HORSLEY:

We have a little confusion here.

LEG. MONTANO:

I had some confusion.

CHAIRMAN HORSLEY:

Okay. We're all good? Questions asked and answered? Excellent. Okay. We have a motion to approve 1235. All in favor? Opposed? So moved. **APPROVED (VOTE: 5-0-0-0)**.

1248, Appropriating funds in connection with the Health and Sports Facility - Eastern Campus (CP 2120). (Lindsay)

This would be one of those bills.

LEG. MONTANO:

Motion.

CHAIRMAN HORSLEY:

Motion by Legislator Montano, seconded by Legislator Nowick. All in favor? Opposed? So moved. **APPROVED (VOTE: 5-0-0-0)**

1249, Appropriating funds in connection with the installation of cooling systems (CP 2138). (Co. Exec.)

Same motion, same second, same vote. All in favor? Opposed? So moved. **APPROVED (VOTE: 5-0-0-0)**.

1250, Appropriating funds in connection with the partial renovation of the Peconic building (CP 2181). (Lindsay)

Same motion, same second, same vote. All in favor? Opposed? So moved. **APPROVED (VOTE: 5-0-0-0)**.

Okay. I think I got them all. Okay. Motion to adjourn.

(*THE MEETING WAS ADJOURNED AT 2:54 P.M.*)

{ } DENOTES BEING SPELLED PHONETICALLY