

DATE
**GOVERNMENT OPERATIONS, PERSONNEL, HOUSING & CONSUMER PROTECTION
COMMITTEE**
OF THE
SUFFOLK COUNTY LEGISLATURE
MINUTES

A meeting of the Government Operations, Personnel, Housing & Consumer Protection Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, 725 Veterans Memorial Highway, Smithtown, New York on June 11, 2014.

MEMBERS PRESENT:

Leg. Robert Calarco, Chairman
Leg. William J. Lindsay, III, Vice Chair
Leg. Jay Schneiderman, Deputy Presiding Officer
Leg. Thomas Cilmi
Leg. Kara Hahn
Leg. Kevin J. McCaffrey

ALSO IN ATTENDANCE:

Presiding Officer DuWayne Gregory
George M. Nolan, Counsel to the Legislature
Sarah Simpson, Assistant Counsel to the Legislature
Lora Gellerstein, Chief Deputy Clerk of the Legislature
Robert Lipp, Director/Budget Review Office
Scott Mastellon, Assistant Deputy Commissioner/SC Police Department
Rebecca Sanin, Performance Management Team
Samuel Chu, Commissioner/Department of Labor & Consumer Affairs
Tom Vaughn, County Executive's Office
Charles Gardner, Director of Government Affairs National Electrical Contractors Association
Angie Carpenter, Suffolk County Treasurer
Michael Pitcher, Aide to Presiding Officer Gregory
Jill Rosen-Nikoloff, Director/Affordable Housing
Gail Lolis, County Attorney's Office
Doug Miller, Acting Commissioner/Information Technology
Alyssa Turano, Aide to Legislator Hahn
Jennifer Hann, Aide to Legislator Lindsay
Ken Williamson
Michael Towers, SC Electrical Contractors Assoc.
George Reha
William J. Garthe, Consumer Affairs Board
John Guadagno, LI 25 IBEW
And all other interested parties

MINUTES TAKEN BY:

Diana Flesher, Court Reporter

MINUTES TRANSCRIBED BY:

Denise Weaver, Legislative Aide

(THE MEETING WAS CALLED TO ORDER AT 10:04 AM)

CHAIRMAN CALARCO:

Good morning. Can I have all the Legislators to the horseshoe for the Government Operations Committee?

Okay. Good morning and welcome to the Government Operations, Personnel, Housing and Consumer Protection Committee. If we could all please rise for the Pledge of Allegiance led by Legislator McCaffrey.

SALUTATION

PUBLIC PORTION

Good morning and welcome to our Committee. We are going to go -- we have no correspondence so we're going to go right into our Public Portion. I have several cards here this morning. Our first is John Guadagno. Did I get it right? John, please come on up.

MR. GUADAGNO:

Good morning. Thank you to the Committee for giving me the opportunity to speak. My name is John Guadagno. I'm the President of Local 25, IBEW out of Hauppauge, New York.

I'm here to speak today in regards to the resolution IR 1540 about the Capital Budget moving the 300,000 to improve our computer systems for the Consumer Affairs Department. As we all know they are overworked and understaffed in my opinion. As electricians we know how hard they work between license renewals to violations, compliance. They do a great job by updating the system to the 21st century. It only helps the department. It streamlines. It makes things easier for complaints for consumers and for people with licenses. Mario Matteo, the plumbing rep of 200, is in a plumbing licensing meeting as we speak. He's also in favor of this and wanted me to mention it. He had to go at 9:30 to his hearing.

So I know other people are going to speak. I know you have other important issues, but this is just a transfer of money. There's no additional costs to the County. It has to save money and generate revenue over the years with this new system. So I hope you're in favor of it. Thank you so much.

CHAIRMAN CALARCO:

Great. Thank you very much, John.

Our next card is actually our Treasurer, Angie Carpenter. Miss Carpenter, if you want to come on up. I know that you're here to talk about the merger bill. And I will offer to you if you -- we have a couple of our colleagues on the -- on the Committee that are not quite here that are on their way. I don't know if you want to hold your comments for them or, if not, you want to speak now, feel free.

MS. CARPENTER:

It's your call.

CHAIRMAN CALARCO:

It's up to you.

MS. CARPENTER:

Well, there's a lot going on in Riverhead, so.

CHAIRMAN CALARCO:

Okay, then, please. If you want to have a seat or stand at the podium, either which way it works.

MS. CARPENTER:

All right. I think I will wait and see.

CHAIRMAN CALARCO:

Okay. They're only about two minutes out.

MS. CARPENTER:

All right.

CHAIRMAN CALARCO:

Okay.

MS. CARPENTER:

Thank you.

CHAIRMAN CALARCO:

Once they get here, we'll call you back up. Thank you very much.

Okay. Our next card is Ken Williamson.

MR. WILLIAMSON:

My name is Ken Williamson. I've been a resident of Suffolk County for 49 years. I'm retired.

My interest on this IR 487 (sic) I think should be very obvious to anybody who reads about it. It is astonishing to me to see that this bill has advanced this far. It really is. I have occasion to travel. I have occasion to speak with people and discuss matters that are going on back home. And when I mention that this is an attempt to consolidate a treasurer's office with a comptroller's office, invariably the answer I get, the response I get is a "what?" Do you realize how this looks to people elsewhere who are not connected to Suffolk County, have no familiarity with any of the faces here, any of the parts of the County, any of the problems in the County? The question is what is going to happen to checks and balances?

It leaves to the next question, which I think is most important, do the Legislators in Suffolk County represent the County or themselves? Now, when you vote on this resolution, 1487, the real issue is not whether you consolidate, but it's personal and governmental integrity. It's that serious. Thank you.

CHAIRMAN CALARCO:

Thank you, Mr. Williamson. Our next speaker is Michael Towers.

MR. TOWERS:

Good morning. My name is Michael Towers. I'm actually past President and board member of the Suffolk County Electrical Contractors Association. I'm also on the Electrical Licensing Board, which this Committee oversees within the County.

I'm here today to speak briefly on IR 1540 and to show our support for this particular legislation and change. We feel that the -- I believe, it's been referred to as the Accela system. We feel that it's going to -- again, I heard the last quote *advance the County or the Department of Labor and Consumer Affairs into the 21st century and help the -- these people do their job*. You know, I want to acknowledge that Sam Chu and his team have been doing a great job within the Department. I've been on that board for several years. And initially when you were merging the Department of Labor with Consumer Affairs, I had some concerns. And I spoke about those concerns here, but, you know, now looking forward, I think it was a positive change. And I believe that it would be a good thing if you give this Department the tools that they're asking for, you know, to make things more efficient and better. Okay. Thank you.

CHAIRMAN CALARCO:

Great. Thank you very much. Our next speaker is George Rehn.

MR. REHN:

Hi. My name is George Rehn. I've been a practicing CPA for the last 40 years and I'm here to -- in East Setauket, and I'm here to talk about law 1487.

It's important that the independence of the Comptroller's Department and the Treasurer's Department be separate for checks and balances that are -- that are involved. The cost of an independent audit may increase because of the lack of independence between the Comptroller's Department and the Treasurer's Department; so I want people to consider that. But it's important that we leave the integrity of the Treasurer's Department separate from the Comptroller's Department. Thank you.

CHAIRMAN CALARCO:

Great, thank you. I have no other cards.

MR. GARTHE:

One more.

CHAIRMAN CALARCO:

Oh, sure. Come on up, sir. Just give your name for the record and you could hand the card over to them after.

MR. GARTHE:

My name is William Garthe. I've been on the Consumer Affairs Board since inception. And I'm here to support 1540. I think they need an upgrade as far as their technology is concerned. But also they also need some more inspectors. I think we have to look at this as you can make some money with catching the guys that don't have the licenses. And since I was in the home improvement business, that's the largest contractors -- part of the contracting licensing there. So they're bringing in over \$3 million from my understanding. And we definitely don't have that much in the budget running that department.

So I think the upgrade will help efficiently. And I'm also going to be presenting some ideas to the Legislature where we can get more inspectors without cost to the County. Okay. But I'm here to support 1540 and I'm on the Consumer Affairs Board. Thank you.

CHAIRMAN CALARCO:

All right. Thank you very much.

Okay. Are there any other speakers? Anybody else like to address the Committee? Seeing none, Madam Treasurer, if you'd like to come up, we now have our full complement here. And I wanted to make sure that you -- I appreciate your patience. I felt that your testimony's important for all of us to hear.

MS. CARPENTER:

Good morning. I am aware of the fact that you guys have all received letters; a letter from the Comptroller and, hopefully, you've received my response to that. But I do want to clarify something: I did not mean to give the impression that the Comptroller was an authority on financial matters as he seems to think when he interpreted my remarks here last week. The very reasons he shared his justification for adamantly supporting the merger illustrate precisely why I could never hold him out as such an authority.

What I was merely attempting to do is share with you his previous statements on the subject in 2006 and again before the Charter Revision Commission in '8, which, by the way, the Charter Revision Commission did not support the consolidation of the two offices. The quotes were accurate,

word for word and as they were shared on the record. And, yes, he did make an about face and come out as a strong proponent of consolidation last year. And I'm aware of that as it coincides with the end of his final term because of term limits.

The fact that Suffolk County is the only County with an elected Treasurer and Comptroller is a not valid reason to discontinue the recommended practice; a practice that in this age of rampant political corruption provides two independent finance officials acting as fiduciary guardians, both of whom answer directly to the people. In finance, separation and segregation of duties and responsibilities is a paramount importance if we're to continue to be committed to protecting the residents and taxpayers of this County.

You as the Legislators are the policymakers. You've been charged by those whom you represent to make sound decisions and protect their interests. In a time when the County continues to face one of the worst fiscal challenges, increased borrowings, bonding for things that we never bonded for in the past, lease back of buildings, downgrades of our bond ratings and having the Office of the State Comptroller classify Suffolk as fiscally distressed is not a time to have less oversight. It just doesn't make sense.

The adoption of this kind of legislation actually would be in contradiction to a longstanding opinion of the New York State Comptroller's Office dating back to the late '40s when they opined that you cannot merge the functions of Treasure and Audit. They are incompatible. To continually mislead taxpayers by suggesting, as the Comptroller did recently, that it will potentially generate future savings of a million dollars annually through attrition and cross-training is illusionary.

To suggest that the Treasurer's Office is top-heavy and that duties can easily -- and this is his quote: *can easily be transitioned into a single financial operation, resulting in greater operational efficiency*, illustrates a total lack of understanding and knowledge of the day-to-day operations in the Treasurer's Office. And some of the models of counties that have that single operation don't collect taxes. And that is a huge portion of what is done in the Treasure's Office. I heard the buzzer. What's your pleasure? May I continue?

CHAIRMAN CALARCO:

You did, but you may continue. Keep going.

MS. CARPENTER:

Thank you. I do need to clarify a statement I made regarding referencing phone calls to the Comptroller because he challenged what I said that he never talked to me. Well, these phone calls were made by me, my Chief Deputy, the head of Cash Management. They went to the Comptroller's staff, to his Chief Deputy. We were able to communicate the gravity of the situation to her. She understood it. We found her to be responsive. And she was the one who could be reached in the office.

The Comptroller's Office needs to spend more time doing audits, audits of contract agencies of our process and procedures, the RFP process. The very type of situations that transpired recently with the IT Commissioner, when the Treasurer's Office was alerted, and shared that information with the necessary parties, it helped bring that situation to light. However, increasing the capacity for audits with diminished staff does not appear to be an achievable goal at present. The Auditor would be the first one to say he doesn't have enough auditors. It certainly could never happen if all of the duties and responsibilities of the Treasurer's Office were to be assumed by that of the Comptroller and at the same time reducing staff. This scenario would certainly be a missed opportunity to generate meaningful, sustainable savings for our taxpayers.

Thank you for your patience in listening. I appreciate it.

CHAIRMAN CALARCO:

Thank you very much, Madam Treasurer. Does anybody have any questions for her? Okay, great. Thank you very much. We appreciate you coming down and testifying.

Okay. I have no other cards. And seeing nobody else in the audience who'd like to address the Committee at this time, we're going to move onto our presentations. We have with us here today Jill Rosen-Nikoloff Thompson, our Director of Affordable Housing. Actually, I think our Director of Real Estate is the full title. Right? And Jill's going to give us a quick summary about where we are and where we've come from in our Workforce Housing Program and what kind of projects are in the pipeline so to speak.

MS. ROSEN-NIKOLOFF:

Okay. So, Good morning. Thank you for having me. I want to talk to you about the two Capital Projects that are dedicated specifically to building affordable housing in Suffolk County. It's Capital Project 6411 and Capital Project 8704. 8704 is a program designed to offset the land cost for affordable housing and 6411 is designed to offset the infrastructure costs.

Basically, we -- those funds are necessary to make the developments affordable. We look for -- it can be mixed use; it can be mixed income; it can be rental; it can be -- it can be homeownership. We work with for-profit and nonprofit developers. We're looking generally to meet certain attributes in these projects like Smart Growth, mixed use, walkability. But sometimes, you know, it can just be an affordable development that meets that need. In our program to make it -- to meet the affordability requirements, the income of a household can't exceed 120% of the HUD area median income, but half the units must be affordable to people at 80% of the HUD area median income and under.

So having said that, we have promoted the program extensively in the last few years. And we have managed to have 16 affordable housing developments approved resulting in 876 units built or under construction. And that's a pretty tremendous figure. But I am compelled to say for the record that of that, 706 units are affordable rental. And that's really a significant achievement for promoting what we're trying to achieve in Suffolk County. That was a specific objective we were trying to meet. We're doing that and we continue to do that.

So having said that, the 16 units now -- let's talk about the budget a little bit and what's left and what's in the pipeline. So as of today, having funded those 16 units, we currently have 5.5 -- approximately 5.5 million available in 8704 and 8.2 million available in 6411 for an aggregate of about 13.7 million. That factors in the 2014 adopted budget figure and the recently adopted 2015 budget figure.

So, now, what do we have in the pipeline? Right now I've got nine what I'll call active projects in the pipeline. And to us that means that they are real projects, which have some semblance of site control, development budgets that have been presented to us. The aggregate of those nine developments, the ask is about 60 million eight. That would get us 824 units if everything was approved at the maximum. So you can see that there's something of a budget gap between what we have currently and the ask. But the requested amounts are almost never funded at that level.

So at this point what we need to do is work with the developers, other funding sources and sort of fine tune the development budget, get their numbers down and then present it to the Legislature for approval.

So, if you wish, I can take you through those nine developments. Would you like that?

CHAIRMAN CALARCO:

Sure, if you could give us a brief rundown. I know there were a number of projects that were included in the Capital Budget --

MS. ROSEN-NIKOLOFF:

Right.

CHAIRMAN CALARCO:

-- and some of us are scratching our heads a little bit.

MS. ROSEN-NIKOLOFF:

Okay. So we have a project called Sandy Hollow Cove, which is on Sandy Hollow Road in Tuckahoe. The developer is the Southampton Housing Authority along with Georgica Green Ventures LLC. It's approximately 2.5 acres. The proposal is for 28 rental units consisting of studios and one bedrooms. I believe the Town is voting tomorrow on a PDD, a Planned Development District. And once that occurs the final amended site plan will have to be approved and then we can proceed.

The second development is -- if you have any questions about each one just stop me there. The second one is, we call Ruland Road. It's located on Ruland Road and Ruland Place in Melville, which is very -- it is significant for us because, you know, we want to try and promote some affordable rental developments in the West End of the district if possible. The developer is D&F Development Group, LLC, who is under contract to purchase the site consisting of approximately 7.6 acres. The non-profit sponsor on this development will be the Long Island Housing Partnership. They have their zone change approved. As I said, they have site control through an option. And we're just waiting for State approval to finalize the structure of this development. It's intended to be 170 -- 117 units.

The next one is --

CHAIRMAN CALARCO:

So those are all affordable units?

MS. ROSEN-NIKOLOFF:

All affordable, yes. All of these that we're going -- I'm referring to are all affordable.

The next one is something called Sandy Hills. It's located on Middle County Road and Rocky Point Road in Middle Island. The developer is concerned for independent living. And you may recall that we've worked with them on two other developments in North Amityville and Lake Ronkonkoma. Those had a preference for veterans. This will not though. It's 100 -- the proposal is for 123 rental units. They have site control. They have zone -- the zone change is complete so as soon as they firm up their funding sources with the State, we should be ready to approach the Legislature for approval.

The next one is Jefferson Meadows. It's located in Port Jefferson Station. It's on Route 112. It's -- let me see -- it's on the south side of 347 on the site of the old Ramp Chevrolet. Yes. The developer is Northwind Group LLC. The nonprofit sponsor will be Long Island Housing Partnership. It's 8.11 acres and the proposal is for 85 rental units all affordable. They're expecting site plan approval the summer of this year. They also have direct site control.

The next one is a site in Bay Shore on Park Avenue in Mechanicsville. It's across the street from the Cortland Square Development. We are trying to negotiate the acquisition of two sites. We're looking to get approximately 80. This would be a senior rental development so those contract negotiations are in place. And we've met with the Town as to what kind of density we could get on the site and so we're moving forward with that.

The next one is in downtown Riverhead. I'm just going to call it the Riverhead apartments. It's on Main Street and McDermott on the south side. It's adjacent to the East End Arts Council. The developer will be Georgica Green Ventures. The nonprofit sponsor will be the Long Island Partnership. It encompass approximately four acres. This will be mixed use because it's -- of it's location on Main Street. And the proposal is for 200 rental units. They are in the process of negotiating and finalizing site control. There's presently an executed letter of intent.

The next one is what we call Terryville Manor. It is located on Terryville Road. It's on -- it's across from the Comsewogue Library adjacent to the old King O'Rourke dealership that abuts -- that is on 347. All right? But across from the library. This will be a senior development. That's the proposal. The developer is -- private developer by the name of Steve Engels. The nonprofit sponsor is also Long Island Housing Partnership. It's about 4.5 acres, the proposal. It's recently been revised from 56 to 36 based upon our discussions with the Town. This will also be a senior development, if I didn't mention that. But it does require a zone change. And they have direct site control.

The next one is Family Life Center, which is on Northville Turnpike in Riverhead. This is 132 acres.

CHAIRMAN CALARCO:

Jill, when you say direct site control, you mean they own the property?

MS. ROSEN-NIKOLOFF:

Yes, they own it.

CHAIRMAN CALARCO:

Okay.

MS. ROSEN-NIKOLOFF:

Right. Family Life Center on Northville Turnpike in Riverhead, 132 acres. You may have read about this in the paper. This involves also a community center on-site. The proposal is for a 100 -- approximately 130 rental units. We're trying to put together our funding sources. We're waiting for final Town approval and change of zone for Community Benefit District. And once that occurs we can hopefully move forward.

And the last one, Legislator Calarco, you're very much aware of is Metcalf Meadows, which is -- this is the only home ownership development and it's in North Bellport. It consists of 25 units. Discussions are ongoing. It's a partnership between LIHP and Habitat. And we're in the stages of trying to figure out how we can develop this site. It's got some issues. And there you have it.

CHAIRMAN CALARCO:

Okay, great. Thank you very much. Legislator Lindsay has a question for you, and I'm sure there'll be more.

LEG. LINDSAY:

Good morning, Jill. Thanks for coming in.

MS. ROSEN-NIKOLOFF:

My pleasure.

LEG. LINDSAY:

My -- One of our greatest concerns, and we've read a lot about it recently is, is the brain drain and the loss of our young people, young professionals. And, in fact, there was recently an article that came out this week that did a survey of the young professionals that are left or those that are coming out of school. And a large majority of them are already considering leaving Long Island, which obviously is a big concern for all of us. I know we're very restricted in how we can designate some of these properties. And as we've seen in some of these locales that have started, they've been mixed use. It's been seniors, it's been young people. Is there any way to -- and I preface my question with which branch of government we'd have to go to, but to be able to designate specifically some of these properties or a percentage of them to young professionals similar to what we did with senior housing?

MS. ROSEN-NIKOLOFF:

I think that that would be a very local determination, but you have to be careful with Fair Housing Laws. The reason you can do it for seniors because the Federal Government by law says you can.

LEG. LINDSAY:

Right. And that's what I'm trying to figure out: Is it Federal, is it State?

MS. ROSEN-NIKOLOFF:

That law's Federal.

LEG. LINDSAY:

Okay.

MS. ROSEN-NIKOLOFF:

Yeah.

LEG. LINDSAY:

Would you agree that we're at a point where, you know, with the loss of so many young professionals that there's definitely a need out there to have -- you know, whether it's a percentage, whether it's entire complexes or communities that we develop just specifically targeted towards them.

MS. ROSEN-NIKOLOFF:

I think -- yes, I mean I certainly recognize what you're trying to achieve there so, yeah. And what has resulted is you end up getting -- unless it's specifically a senior development, you end up getting younger people in those developments because of the income restrictions and the fact that we've been making pretty good choices about where we're doing them. And they -- you know, we're achieving the goal, which -- and they want to be there. So as a general statement, yes, I agree.

LEG. LINDSAY:

When we go through these projects, do we track the demographics that end up ultimately moving into them?

MS. ROSEN-NIKOLOFF:

Oh, yeah, yes. Yeah, we know.

LEG. LINDSAY:

What have you seen in terms of percentages, without putting you on the spot here, for exact numbers, just ballpark, in terms of the breakdown between young, old, in-between?

MS. ROSEN-NIKOLOFF:

Well, I can easily answer the senior ones. But the non-senior developments, as I said -- I'm going to say that they're all -- I will say that they're probably all under 30 for the most part.

LEG. LINDSAY:

So the way we're doing it now is starting to have an impact and --

MS. ROSEN-NIKOLOFF:

Most definitely.

LEG. LINDSAY:

Okay.

MS. ROSEN-NIKOLOFF:

Yeah, yes. Exactly what you want us to achieve is what we're doing.

LEG. LINDSAY:

Because what we're starting to see in the larger projects, like in Patchogue, for example, it seems to be a pretty big mix between young professionals and then seniors and nothing in-between, which follows true. But I'd like to see -- you know, if you could provide us with exact statistics of the impact that we're having with these projects and just to track to see which is having the greatest impact on the young professional group as a specific demographic.

MS. ROSEN-NIKOLOFF:

Sure. I can get you those demographics.

LEG. LINDSAY:

Great, I appreciate that. Thank you.

LEG. SCHNEIDERMAN:

BeCause years ago we placed some -- well, we actually lifted some of the restrictions on these programs. Legislator Lindsay, before it was like only 80%. You had to be 80% of median income to qualify. And most of these programs now go up to, I think, 120% of median income. And what we had found is that some of those young professionals, even though they were making more than that 80% threshold, they still couldn't possibly stay in Suffolk County. So we had to expand it. And we did that with the 72-h Program. We did that with most of these programs. And I don't know, Jill, if these programs, I'm sure have some of those for like -- 50% or 30% have to be within one threshold and another. Could you just talk -- speak to that for a second?

MS. ROSEN-NIKOLOFF:

Yes. For the County's program -- not talking about 72-h now -- these are the Capital Programs, you can go up to 120% of the HUD area median income but half of the units must be targeted to 80% and under.

LEG. SCHNEIDERMAN:

So those 80% are under main -- some of those young professionals may not meet that lower threshold. But there is still some units that do. And, you know, it's difficult when the cost of housing is so much higher than local wages. You have to go kind of way above that bottom.

CHAIRMAN CALARCO:

Jill, do you happen to have those income ranges handy?

MS. ROSEN-NIKOLOFF:

Yes.

CHAIRMAN CALARCO:

I know you've sent them to me before, but the -- what is a single individual making 80% to 120% making --

MS. ROSEN-NIKOLOFF:

A single individual at 80% is 58,9. And a single individual at 120% is \$88,300.

CHAIRMAN CALARCO:

It's pretty amazing when you think about somebody making just shy of 60,000 not being able to afford to stay in Suffolk County because they can't find housing. Pretty amazing stuff. Okay. Thank you very much. Legislator Lindsay, are you done?

LEG. LINDSAY:

Yes.

CHAIRMAN CALARCO:

Okay. Legislator McCaffrey.

LEG. McCAFFREY:

Hi, Jill, nice to see you again. I just want to follow up about those numbers. I was going to ask about the 120% and those numbers. But that last one, that one 120% of the HUD income level, that is -- how much was that you said?

MS. ROSEN-NIKOLOFF:

For a family of one it's 88,300.

LEG. McCAFFREY:

Okay. And what about if it was a couple? Does it -- do you add it together or it doesn't matter?

MS. ROSEN-NIKOLOFF:

A family of two is \$100,000.

LEG. McCAFFREY:

A 100. And that's the -- that's the 80%?

MS. ROSEN-NIKOLOFF:

No, that's at 120.

LEG. McCAFFREY:

One-twenty is 100,000. Okay. So a family making 100,000 would be the one that would -- that's the highest they could make, right, to be able to come under this plan?

MS. ROSEN-NIKOLOFF:

Correct.

LEG. McCAFFREY:

Okay.

MS. ROSEN-NIKOLOFF:

Yeah.

LEG. McCAFFREY:

Okay. And as you know, we've, you know, we had a discussion about some of the things that are going on in my Legislative District with Babylon and specifically Lindenhurst. And, you know, we're looking forward to -- I know in the Village they are -- they want to move forward with a lot of these projects. They have a couple of ideas in mind. And maybe I can have them meet with you to discuss, you know, where there could be other possible funding sources along with, you know, just redevelopment of some underutilized areas that they have which would be in conjunction with their -- their downtown, with their transportation-orientated development, which would be very helpful to that. And I know we put some stuff in the Capital Budget, you know, to continue that work, so.

MS. ROSEN-NIKOLOFF:

Absolutely, sure.

LEG. McCAFFREY:

Okay, very good. Thank you.

CHAIRMAN CALARCO:

Okay, Legislator Schneiderman.

LEG. SCHNEIDERMAN:

So, Jill, these projects, the County is coming in assisting them with grant applications, but also we

are providing some money in each of these projects, too, for infrastructure. Correct? So it's --

MS. ROSEN-NIKOLOFF:

Correct.

LEG. SCHNEIDERMAN:

You mention, I think, nine different projects. And the amount of money we're providing obviously is different for each one. Can I ask -- a couple of questions. One is, we've done projects in the past. Are we continuing to monitor the prior projects to make sure they're still complying since we did provide County funds that they are continuing to, you know, meet those -- the income guidelines as well as any other guidelines that are applicable?

MS. ROSEN-NIKOLOFF:

Yes.

LEG. SCHNEIDERMAN:

Okay, we are. So you have an active program looking at those things. Okay. And in terms of -- well, you know, I know you mentioned the Sandy Hollow one. I know that's fairly controversial. I'm hoping the, you know, the community also supports it and the Town Board supports it tomorrow. But do we also assist the communities or the towns in helping build consensus around these projects?

MS. ROSEN-NIKOLOFF:

Yes, we do. We attend meetings. We go to the Town Board meetings when we need to. We work with developers to secure community support. It's one of the kind of threshold items we want to make sure we have before we ever get here and ask for funding.

LEG. SCHNEIDERMAN:

Can you also tell me when we do these projects, what are we coming in at in terms of a square foot price for construction? Do you have an idea where we're ending up?

MS. ROSEN-NIKOLOFF:

It's -- it runs -- let me give you a range. You'd like to come in for an affordable development at about 130 to 140 square foot. But it can certainly go up to about \$200 a square foot.

LEG. SCHNEIDERMAN:

Is that what we're seeing lately around \$200 a square foot?

MS. ROSEN-NIKOLOFF:

Yeah -- well, I wouldn't say lately. I would say overall. And it depends on the developer and the project and what amenities they're putting in.

LEG. SCHNEIDERMAN:

Could we as a County either investigate or issue some sort of challenge to developers to come up with a product that could come in at a lower number so that it would make these projects more reachable for the general public?

MS. ROSEN-NIKOLOFF:

Yeah.

LEG. SCHNEIDERMAN:

Or at least we would then have to provide a smaller subsidy to make them affordable.

MS. ROSEN-NIKOLOFF:

Correct. I mean that's the choice. If they're saying to me it's part of the, sort of analysis we do.

And if they're saying to me they need \$2 million and I look at their development budget and I see their cost per square foot is \$240, well, why is that? And guess what, you're not going to get \$2 million so go back and redo your numbers, bring it down. That's all part of the assessment.

LEG. SCHNEIDERMAN:

So is the cost of construction becoming an impediment in many cases now to doing some of these because it's making the subsidy too great?

MS. ROSEN-NIKOLOFF:

It has not yet, but it may as our -- the available funds decrease, not just from us but from the State and the Feds, it may well; it may very well.

LEG. SCHNEIDERMAN:

And those projects, are some of them on sewage treatment or some of them connected directly or some of them have on-site systems or most -- for the most part conventional?

MS. ROSEN-NIKOLOFF:

Conventional and on-site for the most part.

LEG. SCHNEIDERMAN:

Okay, thank you.

CHAIRMAN CALARCO:

Okay, thank you. Do we have any other -- anybody else have any questions for Jill? Seeing none. Jill, thank you very much. We appreciate you taking the time to come and fill us in on all that you're doing over there. You're doing great work. And I could tell you in the Village of Patchogue, it's certainly has shown the difference you can make. And you take the units like the Copper Beach Development, and I've seen actually quite a few families cycle through them at this point in time. Now they're about four or five years old, where you have couples get in, they get started, they have a child, they're ready to grow out into something bigger, into a house and they sell and it becomes stock for the next family that's looking to get started on life. So that's a good thing. That's the point of the project.

MS. ROSEN-NIKOLOFF:

Thank you.

CHAIRMAN CALARCO:

Thank you.

Okay. I see that we have Scott Mastellon here and some of our Performance Management people. And I see a big thing on the screen. It's showing that there's a presentation that I guess I wasn't quite aware of, but why don't you guys come on up. Let's see, you want to give us a presentation, I'm assuming, about the licensing software that you want us to consider purchasing. You guys could come on up and give us your presentation. Oh, I didn't see you over there, Mr. Chu, our Commissioner for Labor, Licensing and Consumer Affairs. You're hiding behind the podium.

COMMISSIONER CHU:

I can sit by my buddy Robert.

MS. SANIN:

Good morning. And thank you for giving us the opportunity today to be here with you and appear before you to discuss the software needs associated with the TLC.

As you know, when you build something from the ground up the infrastructure becomes critical to

the success of the endeavor. Much like the start-up of TPVA, the technology plan drives the success of this new effort.

What you will see today in this detail-oriented PowerPoint is the comprehensive process that Performance Management and the Department of Labor, Licensing and Consumer Affairs went through with assistance from other County departments to understand business licensing needs and the departmental impacts associated with them. As you'll see this effort included visits and conversations with other municipalities, a careful review of multiple options and a thorough analysis of the return investment for technology solutions. Equally important this effort focused on the impact of choosing a solution that best benefits the community of endusers, licensees, consumers and the public.

I'm going to now turn this over to Scott Mastellon who will walk you through a very detailed PowerPoint and hopefully answer any questions you may have. Thank you.

MR. MASTELLON:

Thank you, Rebecca. Again, my name is Scott Mastellon, Assistant Deputy Commissioner of the Police Department and a member of the Performance Management Team. Thank you again for allowing us the ability to talk.

What I'd like to do is just discuss the general agenda associated with the presentation here. As Rebecca indicated, we had discussions with other municipalities. We're going to evaluate the options that were -- that were basically determined as -- as appropriate moving forward with regard to software. We're going to identify our recommended option in addition to our implementation plan. We're going to talk a little bit about what we call Consumer Affairs transformation with regard to the implementation of this technology and how that's going to transform this operation and the services that it provides to the constituents and to the licensing community and ultimately the public benefit of this implementation. And then we're going to take a little bit a look at the TLC itself and what type of implementation services we'll obtain associated with the Accela platform. And then talk about conclusions and then obviously open it up for questions.

So when we look at who we actually went ahead and spoke to, we went ahead and met with the Nassau County TLC, obviously critical to understand how they're operating, how they're doing business. We visited with the Southampton's Clerk's Office who has a TLC operation. We spoke with the Town of Brookhaven. We visited the New York City TLC operation. We spoke with Rockland County; we spoke with Westchester County; and we also spoke with the Town of Oyster Bay. And what these discussions led to was a host of options with regard to the software implementation. First of which was should we simply implement a quote/unquote manual system using existing productivity software such as Excel and Word?

The second option, and we'll get into details on each of these, looked to leverage software efforts from other municipalities. Option number three: Develop a custom inhouse application. And option number four: Develop an RFP to implement a commercially available product.

So when we look at option one, the first option, which was to implement a manual system using something like Excel or Word, there was some significant issues associated with that. It really lacks the required security; any type of online functionality necessary, the document management capabilities. Reporting and business automation capabilities really are not available with this type of solution.

In addition to that, we evaluate -- we estimated approximately three to four additional full-time equivalents to support this manual technology environment. And if you were to look at that at a cost standpoint, we would estimate those individuals at approximately \$50,000 a year, which includes benefits. And looking at that over the course of a year, it'll be anywhere from 150,000 to \$200,000 on a yearly basis. And if we were to extrapolate that over a period of five years, the cost

of that staffing would equate to approximately 750,000 upwards to a million dollars. So that we had significant concerns associated with this option.

The second option we evaluated was leveraging other municipal efforts. And what we found out through our discussions was the Town of Huntington, Oyster Bay and Southampton were currently working with a vendor to extend their commercially available system to support municipal licensing -- business licensing that is, on Long Island. All of these towns had TLC services within their clerk's operations. And the idea was this software potentially could be purchased collaboratively and would be extremely specific to the needs of Long Island municipal licensing entities.

Unfortunately, when we had further discussions with the towns, they had indicated that the product was taking a significant amount of time to develop and was not fully implemented. And we actually reached out to the vendor and asked whether or not the vendor would be interested in including Suffolk County TLC as part of their project and they simply said no. The effort associated with their particular project to get this off the ground was extremely difficult, very time consuming and very costly. And they simply indicated that they were not interested. Obviously, because of that response we eliminated this as an option.

The third option we looked at was developing an in-house solution, a custom based solution. And to do that we developed some in-house estimates to extend the existing Consumer Affairs application. So as I think most of the people here are aware, there is an existing computer application that supports Consumer Affairs. It was developed almost ten years ago. So the idea would be to take that general foundation of software and extend it to support the needs of the Taxi and Limousine Commission. So we estimated approximately 1500 to 2000 hours to extend that software, approximately nine to twelve months to complete the project. And this is assuming that in-house resources were added after they had actually been added. And as we all know, the ability to add resources could take up to -- upwards to six months.

In addition, I'd like to point out the fact that while, yes, developers are critical to the implementation of a custom software solution, they are simply one piece of the puzzle, a very important one, but there are additional resources that are required to support the implementation of a custom solution, which includes project managers, database administrators, analysts, quality assurance people, data conversion specialists, trainers and system administrators. So, by simply adding one or two developers to the particular department, while it certainly is going to provide the ability to do a lot of the work, there's still a significant amount of work that additional resources would have to support in the development of this particular project.

In addition, we felt that this particular approach would not enhance our ability to support occupational licensing needs within the Consumer Affairs or support a Countywide licensing need. It simply addressed the TLC needs specifically. This approach also would have put a burden on our senior level IT resources in both the short-term and the long-term. Obviously short-term in the development and long-term on the maintenance side.

In addition, it would put a burden on our senior level CA resources in the short-term to ensure all the requirements are appropriately defined. In any custom application development effort, there's a significant amount of effort that's required to ensure the business requirements are defined appropriately and designed appropriately. And this effort would require a significant amount of time from the CA representatives.

When we took additional -- when we evaluated the existing CA software and we took a little bit of a further look into it, it was really suggested that given the age, again, as we mentioned over ten years, or close to ten years old, the available functionality, the foundation of the software was relatively weak. And the software solution -- a new software solution really should be considered. So while CA software itself was -- is relatively -- it's functional, okay; however, it's functioning in a

limited capacity. And what happens is it requires a significant amount of manual labor resources to operate the system. Now I'm going to get into a little bit more detail on those in some of the later slides.

So the options to develop a TLC module, if you will, on top of the current CA program really is an inefficient use of our resources with the likelihood of having to redevelop the entire solution in the near future. And looking at it as a whole and redeveloping an entire CA application with TLC included would dramatically increase the estimated costs for the overall solution and significantly extend the overall timeline to implement, possibly adding another one to two years.

So taking all these factors into consideration, it was determined that it's probably necessary to evaluate the functionality that exists in a commercially off-the-shelf or commonly referred to as COTS software solution to determine that this type of software really can meet the needs of the TLC, the overall business licensing needs of CA, Weights and Measures and other County licensing needs. So we went ahead and gauged DoIT resources and Labor, License and Consumer Affairs resources and researched available systems and received demonstrations on relevant products. Based on that research, we identified 277 unique software requirements to support this overall operation.

We partnered with DoIT to issue a formal RFP in December of 2013. And that RFP included information for optional software requirements for other County department licensing programs. And the idea behind this was to understand any respondent that was going to respond to this would have all the necessary functionality requirements to meet the County's business licensing needs, if in fact, that was something that became available down the line. So we simply didn't want to purchase a TLC solution; we wanted just to purchase a software solution that will meet all of our needs and initially start with some of the small components such as TLC and then eventually with CA.

You see cost proposals ranging from 1 million to 2.6 million to implement the TLC and occupational licensing within license -- Labor and Consumer Affairs. And Accela was given the highest rating by the evaluation committee. We tentatively awarded Accela pending the approval, obviously, of the TLC legislation and pending the approval of the funding.

In addition, we negotiated the price for the TLC implementation and reduced it down to \$300,000, which included the hardware purchases required from our own internal purposes. And ultimately -- we also identified the annual licensing maintenance costs to support the TLC at about \$11,000 a year.

So when we look at sort of a return on investment, if you will -- and we estimate the cost avoidance associated with additional staff requirements at approximately \$150,000 a year. And I'm looking at two different options with regard to this, the first of which was the manual process, which we identified approximately three full-time equivalents at about \$150,000 a year; and option three, which is about one-and-a-half full-time equivalents for the duration of the development of the technology are one to three years.

We took the \$300,000 bond, put that out over 18 years, the total cost of which would be about \$445,000. So if we simply look at that, you know, by investing in this commercially available proven technology, the County has potential of seeing a return on investment for this Con-Solution in approximately three to four years and that's just for the TLC.

So based upon a number of factors that, you know, I kind of reviewed a little bit here and it'll go into a little bit more detail, there was a recommended option; first of which, the necessary timeframe to start the TLC; the current condition and available functionality in the existing CA software; the rich and robust functionality available in the Accela software; the current staffing constraints with DoIT; the time required to -- the time required to acquire additional in-house resources within DoIT; the ability to implement the licensing software platform for all of Consumer Affairs that would potentially meet the needs of the entire County; the desire to improve our ability to provide consumer

protection services to our licensees and constituents; the increased ability to integrate data and services with the State and other municipalities; the approximate equivalent cost of a buy verse bill decision with a relatively short return on investment. Ultimately, all these factors were taken into consideration to make a recommendation of a Con-Solution. And we felt that that was the most appropriate and cost effective path forward.

Now, with regard to that, we had to identify a plan for implementation. And we broke it down into a few phases. The first phase, implement Accela for taxi and limousine registrations in 2014; avoid additional staffing costs; improve our ability to service internal operations, licensees and consumers. Upon completion of that phase, we would review that implementation, determine whether or not the software was performing at -- where it needed to be and whether or not the vendor was performing where we needed it to be. And if successful, move to phase II, which is to implement Accela for business licensing in general for our Consumer Affairs in 2015 to further improve their operations, optimize staffing needs and ultimately improve services to licensees and to consumers. Again, after completion of that phase, evaluate the software implementation, the vendor, determine whether or not all of it was appropriate and it was successful.

And, finally, phase three: Determine additional licensing needs within the department i.e., Weights and Measures and evaluate use of Accela to support these needs.

So one might ask the question, well why? Why do we want to invest in Consumer Affairs? And I think there's a relatively obvious answer here: The incredible value that Consumer Affairs provides as a service with regards to consumer protection. However, I wanted to highlight a few other items that I think are important and critical to understand. First of which, if we simply look at the revenues dating back to 2008, we will see on a year-to-year basis the Department has extended and exceeded the revenues from the prior year. In fact, if you look at a comparison of 2008 to 2013, revenues increased approximately 50%. And, in fact, 2014 projections are showing a further increase from last year.

And secondly, and probably most critically, with regard to the operations of the Department is to look at the current conditions of Consumer Affairs. And what we see is a host of filing cabinets and case files that contain a lot of paper, a tremendous amount of paper. While I indicated that the Department has a system, they do have a system, but it's still extremely manual intensive with regard to paperwork. Information is -- is stacked on peoples' desks. They are entered into the computer system through data entry process and it's extremely manually intensive with regard to getting this information in.

And additionally, we conduct most of our business via the mail, phone or at our front desk. We have limited capabilities with regard to online. And what we're looking to do here is to simply transform the way this particular operation works and move it into the 21st century. So we're kind of calling this *this Consumer Affairs transformation*.

So as we mentioned, Consumer Affairs has been under-resourced for years both from a technology standpoint and from a personnel standpoint; continually asked to provide additional services without additional staff or tools. Work processes include tremendous amount of paper, Multiple paper case files needed to view history of a licensee holder, a complaint investigation or a hearing. There's no single historical view of an application or an investigation. Thousands of paper files necessitating extensive physical storage requirements in the office; no current availability to renew online or make a payment online; no ability to submit a complaint online; thousands of checks. Literally thousands of checks are removed from mail envelopes on a yearly basis and manually entered into the software and then manually entered into our Integrated Financial Management System.

And lastly, pointing out here, the field investigators have very little tools in the field. They simply have to rely on the phone calling the office to -- to determine whether or not licensed individuals are appropriately licensed or not.

So what is this transformation going to mean? What is it going to mean to the Department? We're going to implement an industry-proven, an easy to use system for County users, licensees and constituents. We're going to have access to industry standard best practices. We're going to have a highly configureable system to easily adapt to the workflow and regulatory changes, many of which are put forth through this Legislative body; automated workflows for license verification and complaint investigations; consolidated view of a case history file; ability to store documents electronically; an online portal for licensees to apply for new licenses, renew existing licenses and make payments; an online portal to submit and view complaints as well as violation activities; ability to automatically transfer revenues collected to the County's financial system; and mobile office functionality to improve the ability to provide consumer protection services to this County.

And looking at this you can might say, *well, there's a significant public benefit here.* So what we did was highlighted a few of the public benefits. We look at license holders; improved access to services; increase number of services; quicker cycle times. Consumers: Improved access to information; increase number of services; improve consumer protection; quicker cycle times. Legislature: Yes, it does affect you. Improved ability to implement regulatory requirements as well as track licenses, complaints and violations by Legislative district. Operations: Improved use of resources; more efficient processes; Ability to do more. And if we want to go ahead and look at some of the client testimonials that have implemented the Accela product -- and I'll mention a few here: Omaha, Nebraska. *The department would maintain staffing numbers while meeting the customer service demands.* Lenexa, Kansas. Lenexa now handles roughly twice what it managed previously without requiring an increase in staff or workload. Lincoln, Nebraska. *Despite the increase in permitting activity, no additional full-time employees were required.* And McAllen, Texas. *To reduce -- we reduced turnaround times for residential permits from approximately three weeks to three days and the commercial permits from two months to five to ten days.* So obviously there's significant benefits associated with this from the operational standpoint, from the public benefit standpoint and from the just general efficiency standpoint.

And I'd like to just talk a little bit about some of the core services that are available in the Accela software. First and foremost communications: A consolidated view of e-mail, alerts, announcements and messages; calendaring invitations for meetings, hearings; events can be accepted and available -- and availability can be checked through Outlook; Communications can be triggered from tasks or events. Service requests: Log and track calls, contacts, addresses and license submissions; auto assign resources for service or complaints to best qualified resources departments; access realtime status; upload supported documents and set alerts for followup activity and notifications to ensure requests are completed in a timely fashion. Fees and payments: The ability to quickly define fees and fee schedules; users can access, invoice and receive full or partial payments from a central payment center. Reporting: Leverage an existing investment at the County to an extensive set of reporting tools to provide robust management reporting as well business forms that are tightly integrated to the overall billing process. Workflow: Workflows can be configured to support simple routing and approvals all the way up to complex scenarios involving multiple departments and multiple steps. And finally, but most importantly, security. Accela supports physical network application and users' security. Given the nature of information that we're looking to maintain, extremely sensitive information and we want to ensure that it is secure as possible and Accela provides an extremely robust security model.

So taking it one step further to who is affected and what type of functionality is available and how they meet the various needs of licensees, consumers, legislators and endusers, there's a whole host of services here. Online application submission, and we kind of talked a lot about this; automated license verification; automated investigation processing; highly configurable system; implement regulatory and nonregulatory changes extremely quickly; electronic storage of documentation in addition to the electronic distribution of information no more -- not necessarily no more, but minimizing the amount of mailings that are going out and putting them through electronically; highly secure and reliable system; improved integration with State and local; improved enforcement and --

on consumer protection; improved revenue collection process and ultimately overall improved transparency.

So we'll take a step back here and just simply look at the TLC and what we're going to get from Accela, who's the vendor, with regard to the implementation. First of which we get a Countywide server license for the Accela licensing software. We get user license up to five users on the system. Just a few more minutes, just a few more slides. Thank you. User license up to five; services to support setup of a production and development environment; services to implement major workflows for driver license and vehicle registration; services to implement complaint and violation workflows; customize reports; business intelligence capabilities; batch routines to integrate financial management processes; support user acceptance testing; training services for endusers; configuration personnel; report writers and administrators; go live support services; access to upgrades; general phone and e-mail support services both from a technical and from a user perspective; and access to a community of Accela clients, users for discussion, support and best practices; and ultimately implementation of the TLC within three months.

So, in conclusion, we'd like to point out the fact that there was a significant amount of time and effort to evaluate software options and the requirements associated with those. All options were considered prior to making a recommendation. The recommendation -- the recommended solution allowed for us to quickly and cost effectively implement the TLC operation. In addition to that, it enabled us the ability to build a software foundation for Consumer Affairs and for other County departments. The software implementation provides a true public benefit for licensees, for consumers, for Legislators and County employees. And ultimately this system will transform the way Consumer Affairs operates, improve our overall ability to provide consumer protection services for the future of Suffolk County. That's all I have.

CHAIRMAN CALARCO:

Okay. Thank you very much. We do have a few questions although that was a very extensive and thorough presentation. Legislator Cilmi.

LEG. CILMI:

Thanks, Mr. Chairman. Thank you, Scott, for that very thorough presentation. It was obvious that you spent, as you said in your conclusion, a significant amount of time and effort on it.

I was vocally supportive of this project during the Capital Budget Working Group meetings. And I do believe that the applicability to the Traffic and Parking -- or not Traffic and Parking Violations but rather the Taxi and Limousine Commission is just a small part of what the -- of what the use of this software can do for us. But I do have some questions with regard to some other issues, some process issues and things like that. So I hope you'll bear with me for a few minutes.

First of all, it's interesting to me, and this is -- please don't take this personally, Scott, you did a really nice presentation, but you're from -- you said you're from the Police Department.

MR. MASTELLON:

That's correct.

LEG. CILMI:

And I'm curious as to why we have the Commissioner of Labor sitting next to you, who is -- whose office is going to manage this, at least the initial rollout of this product. And we have the Acting Director of IT sitting in the room, but an employee from the Police Department is doing the presentation. That's a little confusing to me.

MR. MASTELLON:

Understood. I'm a member of the Performance Management Team. And this was a project that fell under the domain of the Performance Management Team. I collaboratively worked with the

Department of Information and Technology in addition to the Department of Labor, Licensing and Consumer Affairs. And I'm simply, you know, providing this presentation at this point. It really ultimately has been an extremely large team effort on this. And I'm simply the spokesman at this point and that's why.

LEG. CILMI:

Okay. So when you say you collaboratively worked with those departments, roughly how many man-hours do you think all together was put into this?

MR. MASTELLON:

Very difficult to answer, to be honest with you. It was over -- really started working in 2012 on this particular project. So, you know, there were a number of hours that were exhausted. I really couldn't give you --

LEG. CILMI:

Over at least a year, year-and-a-half.

MR. MASTELLON:

That is correct.

LEG. CILMI:

So you're a member of the Performance Management Team. Does the team itself meet regularly to discuss Countywide projects and initiatives?

MS. SANIN:

We meet every week.

LEG. CILMI:

Every week.

MS. SANIN:

On a weekly basis and, in addition, we have regular meetings.

LEG. CILMI:

So you spend a lot of time even meeting amongst each other on other Countywide issues.

MS. SANIN:

Absolutely.

LEG. CILMI:

I'm curious to know all of that time, a year-and-a-half of time, and this is going to be somewhat rhetorical, but a year-and-a-half of time was spent or so working on this very thorough presentation, a lot of collaborative effort went into it, why the Performance Management Team hasn't spent a minute of time in the Treasurer's Office. Can you answer that?

MR. MASTELLON:

I cannot answer that, no, I'm sorry.

LEG. CILMI:

Okay. I'm sorry, Tom, the question wasn't for you. I appreciate you being here. Let me just move on now to the matter at hand.

You mentioned in your presentation that the three municipalities that you used as sort of a foundation for your research are operating these local commissions through their clerks' offices. Was any thought given to operating our commission through the Clerk's Office? I'm just curious. I

think probably Consumer Affairs and Labor's probably the better place for it, but I'm just curious to know if that was something that you considered.

MR. MASTELLON:

I mean, it was not anything that I was part of. It was really identified at the onset, you know, to be part of the Labor, Licensing and Consumer Affairs Department. And we simply moved forward in that direction.

LEG. CILMI:

Okay. I noticed as part of your presentation there were some pictures of the filing system that currently exists in Consumer Affairs, which is remarkable. From a legal point of view, I mean, ultimately we would love to get to a paperless, you know, system here. But from a legal point of view can we do that? Is there a way that we can stop filing things, you know, with paper and just use this system?

MR. MASTELLON:

Well, you know, from an electronic storage standpoint we have the ability to electronically store this information. And we would have to work with the Clerk's Department -- the Clerk's Office to understand, you know, what type of legal ramifications would be required in support of that.

COMMISSIONER CHU:

And to clarify just the work process side of this, even in instances where we're required to maintain certain paper documents and we -- we're all familiar that there are certain documents you have to maintain, it's one matter to have to maintain it in storage; it's another matter entirely, the work processes involved if having to -- you know, these are -- this is an active -- these are active process files now. So there's a -- there's a big difference between being required to maintain something in physical storage and actually having to, you know -- we can all understand the differences between a stroke of the mouse and having to go and sift through file cabinets and -- you know, there's a big work difference from time to time.

LEG. CILMI:

Oh, absolutely. And that's why -- that's one of the reasons -- one of the many reasons I support this project. But, you know, I don't want to misrepresent the fact that -- that we may have to continue to work on paper systems as well as this system simultaneously. You know, I don't really foresee that changing in the near future at least. It may change, you know, decades down the road, but for now I think we're stuck with both systems.

You talked, Scott, about phased in approach, which I think is wise. The -- what concerned me though was, and hopefully you'll be able to answer this, this purchase will be -- it won't require -- for phases two and phases three, it won't require additional software purchases. Right? This purchase basically puts us in the right place to be able to implement all three phases of your plan.

MR. MASTELLON:

There are additional software costs that would be required. And that comes along the lines of additional users on the system and additional modules that will be purchased in future phases. So there are -- there will be additional licensing costs that would be required. And that's outlined in the Capital Program request.

LEG. CILMI:

Okay. And forgive me, I don't -- I don't remember, what was the potential total cost of full implementation?

MR. MASTELLON:

We have \$975,000 listed in 2015 with an additional \$30,000 in hardware expenditures. And identified in 2016 and 2017 are additional 500,000 in those years to address additional needs as

they were to come about.

LEG. CILMI:

Okay. One of the things that I had asked during the Capital Budget Working Group meetings is for a presentation from the company or of the software itself sort of, in action, so that we could -- so that we could, you know, all of us could see the benefits, sort of touch and feel and experience the benefits, that this software could -- could inure to us. So is that -- why didn't that happen today?

MR. VAUGHN:

Thank you very much, Legislator Cilmi, even though the question wasn't directed at me.

LEG. CILMI:

I'd be happy to have you answer that question.

MR. VAUGHN:

That one I can answer?

LEG. CILMI:

Sure.

MR. VAUGHN:

We spoke to the County --

LEG. CILMI:

With all due respect, of course.

MR. VAUGHN:

With all due respect, of course. We spoke to the County Attorney's Office. And that was our first initial thought was to bring Accela down here, have them do a live presentation. The County Attorney's Office stated that they had some concerns about that. And after that that's when we asked the Performance Management Team to please go and develop the most comprehensive PowerPoint that they could develop to kind of walk everybody through each phase of the project and how everything kind of came to be. And that's how the PowerPoint that you saw before you was constructed.

LEG. CILMI:

Okay. I still think it would have been more impactful and effective to actually see the software in action.

MR. VAUGHN:

We don't disagree, but when Dennis Brown tells me I can't do something I kind of follow.

LEG. CILMI:

I understand that. I don't know why that would be problematic but I guess that's a question for Dennis.

The last question I have may, Tom, you may be able answer this as well or maybe Deputy County Executive Chu could answer it, if I'm not mistaken -- and I may be mistaken -- but if I'm not mistaken we have been told previously that the process that we use when we're planning for a project of this sort is that we appropriate the money first and then you let the RFP go out afterwards. Am I wrong?

MR. VAUGHN:

No, you have been told that in the past.

LEG. CILMI:

Okay.

MR. VAUGHN:

And as a matter of fact --

LEG. CILMI:

Why is that -- why did that differ in this case?

MR. VAUGHN:

Well, I'd be happy to answer that, sure. So -- I think it was Einstein that said that the definition of insanity is to continue doing something the same way and expecting a different result. We have had no shortage of concerns or issues getting certain tech projects adopted in front of this Legislature. And as a result of those I think that we've learned some important lessons.

So one of the things that we decided to do this time was to actually take -- take the advice -- and I can't say that we will -- that this will be a standard practice going forward, but in this case we tried to go with what was suggested by the Legislature, which was to try and do the RFP and make it clear that there was no funding associated with the RFP first so that way we had an exact breakdown of cost before coming and presenting it to the Legislature for their approval. So it was really a -- a process that was developed out of learning. And it was a desire to try and -- to try and do something differently and hopefully get a better result.

LEG. CILMI:

Well, I think it makes sense. And I'm sorry that we were told time and again that that wasn't the right way to proceed on these sorts of things because I believe that it's helpful to see exactly what, you know, potential costs are prior to approving funding for something, especially when that funding is, you know, in the hundreds if not millions of dollars -- hundreds of thousands if not millions of dollars.

MR. VAUGHN:

I -- I --

LEG. CILMI:

And I would hope that you would continue -- that we could -- I mean obviously this sets a bit of a precedent because in future -- for future appropriating resolutions, I mean, that's going to be a question now that I ask.

MR. VAUGHN:

Well, I will certainly look forward to those questions.

LEG. CILMI:

I know you do.

MR. VAUGHN:

But I would also say that, you know, this is not the -- this is not the first time that Tom Melito and the Performance Management group have suggested taking a look at the way that we -- that we do things and maybe go at it with a different result. So, for example, we had extensive conversations about the outfitting of police cars. And I think that now --

COMMISSIONER CHU:

Tom, Tom, for just -- I want to -- for a moment, if you would, I'm sorry to interrupt, you know, I want to just speak very clear because I was involved in the specific conversations. You know, this is a specific function and how other things get approached. This is -- we're adding a new function, you know. And we've been having conversations specifically, you know, about -- in this Committee, I've

been having these conversations since I was appointed and certainly amplified those conversations since the consolidation took place of how we better perform in Consumer Affairs and how we're going to best implement and put forward the Taxi, Limousine Commission in Suffolk County.

And through those conversations, and -- and I think all of you have interacted with, you know, my office enough and myself enough to understand that, you know, I do -- you know, our departments, you know, likes to consider things before we put things forward and make sure -- you know, I've stressed time and time again, you know, with a cost factor and a resource factor, you know, carefully considered. And for this specific -- you know, particular application given the -- that we're setting up a new process and a new function, you know -- you know, we felt it was important after having a conversation, both for myself as well as the Performance Management Team that, you know, we have a better idea of, you know, what was available.

So we first -- the process first started, hey, what vendors could be possibly considered, you know, and then it -- it quickly became apparent that, well, we've identified certain capable vendors that might be -- you know, have products that could be applicable to this, you know, it kind of just made sense at that particular time to go forward with RFP to get a more exacting cost consideration, which helped weigh against other options. Again, that being, you know, funding, that being time and -- as well as, you know, manpower. So it just became the logical thing to do in this particular --

LEG. CILMI:

Yeah, and I think it was smart. And quite frankly had it not been for the fact that Tom was at our Capital Budget Working Group meeting, which was fortunately held publicly this year, he would not have had the booklet from Accela to show me. And I could be -- because I had a completely, a much more narrow perception of what this software was going to do until I looked at that book.

So I think it was a good way to go. And I would encourage the administration on future projects not only with regard to Labor and Consumer Affairs and IT, but for all future projects to go through that effort in advance so that we have a -- you know, a solid idea of what it is that we're actually voting on.

The last question I have, I'm a little bit troubled and I'd like you to just sort of speak to it a little bit, by your use of words in your presentation when you say that *the RFP was tentatively awarded to Accela*. I don't know why we would say that particularly at this point in time. Why would we say it was tentatively or why would we even go there?

MR. MASTELLON:

It's really a form letter that gets issued through the -- through the Department of Public Works.

LEG. CILMI:

But if we haven't approved the funding yet, why would we say that it was tentatively awarded?

MR. MASTELLON:

With the contingency that it requires approval from a funding standpoint.

LEG. CILMI:

But why would we even give Accela the impression that we're going to potentially enter into a contract with them if we haven't even approved the funding yet?

MR. MASTELLON:

It's a process that -- by which I'm simply following that existed.

COMMISSIONER CHU:

There's a necessary step, you know, award, and, again tentatively awarded -- they -- there was a -- there was -- there's an understanding that they're not going to get the project -- that they -- they

are not getting -- there's nothing going to happen unless the funding's there. But as Scott, you know, included in the presentation, you know, an original price came back, you know, the selection process happened. We had a discussion myself, you know, as an ultimate, you know, my department making an ultimate decision on this about initial costs. And my -- my direct was, you know, well, let's see how far you can get, let's see how we can get that down. Let's try and negotiate it down. Let's see if we can, you know, how we can -- how we can get them to work on phasing, you know, to just, you know, bring -- refine the scope of project, refine the costs, again, for the greater interest of the County.

It'd be very difficult to do that if after you went through an RFP -- I mean, it'd be almost, you know, impossible to do that if after you went to a selection process you didn't have some means of notifying the, you know, this particular respondent that they are -- that their submission, you know, their proposal was the one that, you know, was the proposal that the selection committee, you know, put forward in front of the others.

So, you know, I don't -- I'm not sure if our Purchasing Department has another means to do that other than the form, you know, award letter. And, again, it was, you know, clearly indicated that, you know, this is tentative, you know, and contingent upon funding approved by the Legislature. But by doing that enabled us to have the conversation that enabled us to not only get to a greater degree of detail of what the project should ultimately look like; but also, you know, enabled us to compare costs to make sure it reflected our needs.

LEG. CILMI:

I appreciate that explanation. And, Scott, I really appreciate how thorough and detailed your presentation was. It was very, very helpful. Thank you.

CHAIRMAN CALARCO:

Okay. Thank you very much, Legislator Cilmi. Legislator McCaffrey, go ahead.

LEG. McCAFFREY:

Thank you. And it was a very comprehensive presentation. I have to ask a question. I'm just a little concerned about the demonstration -- not being able to get a demonstration for Accela. I'm not a lawyer, but I can't think of -- I mean, you're with the Police Department. Before you buy police cars it's -- I'm sure someone drives them, you know, they came out with a new generation of police cars. I'm sure someone said, *hey, let's see how this works, let's get behind the steering wheel, see how it handles and does it fit our needs in terms of communications that we have.* We may do things a little differently in Suffolk than in New York City or somewhere else, in Kansas where a lot of these testimonials are coming from.

So I'm really troubled by the fact that we're not able to see just a quick review of how this stuff works, what it looks like and how we think it could be meet our needs. I have to ask though, did your committee, did your group get a chance to do that?

MR. MASTELLON:

And that's what I wanted to indicate is that representatives from Labor, Department of Information Technology all sat in on these -- on the software itself, the demonstrations. And actually we had a couple of demonstrations prior to the issuing of the RFP. And that included all the representatives that were -- basically would be working on the project itself. And it was consensus among that group that the product functionality was sufficient and adequate and more than adequate in many areas.

And then furthermore, in the RFP process, the evaluation process, we reached out to specific vendors that were identified as references, spoke to them and their experiences working with the product to better understand how they were utilizing it, whether or not it was a fit for them. So based upon the multitude of areas and people and things that we saw collectively as an entire group,

both the evaluation committee in addition to members of the Department of Labor as well as IT, we felt that this was an adequate -- an extremely adequate solution and did really meet all the needs.

COMMISSIONER CHU:

Yeah, I just want to add that, Legislator McCaffrey, you know, to echo, you know, Mr. Vaughn's sentiments, you know, the County Attorney when he has his reasons for us to -- to refrain from doing something we certainly abide by it.

But I do want to point out that this -- although, you know, this presentation went into the holistic scope of what this project -- what we aspire this project to be and how we expect it to transform Consumer Affairs to a modern, you know, a modern agency, this bill, the bill before you today, 1540, simply, you know, reallocates some capital project funding to allow us to begin the TLC -- the TLC operation with the system. And although you don't have a presentation now, there is going to be an opportunity by this Legislature to appropriate the additional -- the additional and considerably larger funds of money that it would take to complete and get us to the end of this project and the completion of the transformation of the system.

So I understand your sentiment but I also would like to offer that we will have -- the Legislature will have an opportunity, certainly this committee will have an opportunity to get a presentation of implemented software before the most substantial funding -- funds are appropriated for this -- for the entire project. You know, I know that doesn't necessarily address your question of getting the presentation ahead of time, but I hope it does add, you know, something to the conversation that there is going to be an opportunity to decide before those other pots of money are appropriated.

LEG. McCAFFREY:

I think this Legislature, I know I do, and I don't want to speak for anybody else, I want to know why you could see it, this presentation but the people that are voting to allocate the money to begin the process of funding this, were not able to do that. I would really need an explanation as to why that -- why that is.

MR. MASTELLON:

Well, I would like to point out that --

LEG. McCAFFREY:

We can see it later, we can't see it now. Right? So what -- what's the secret? Is there something that we're -- is there a surprise down the road that's going to hit us and we're not supposed to know what's coming or --

MS. SANIN:

No, and -- I mean, we need to refer to Dennis Brown to provide you with that information. But I would just like to point out also that, of course, there was Legislative representation on the RFP Evaluation Committee.

LEG. McCAFFREY:

I understand, but I wasn't there and I'm voting -- I'm voting on this. And I think it's a great idea. I really do. I think we need to get into the 21st century, as the Commissioner pointed out. I'm all for that. But there is a process. And I'm concerned that we're following that process properly and that we have all the things that we should have in front us when we make those decisions. And -- so -- and, Mr. Vaughn, if I could, you know, refer to you to ask the -- Mr. Brown why we could not have that information that we -- that would allow us to look at this presentation, what the legal reasons are for that -- and not just for this but going in the future that the County's going to take the position that we are not allowed to see what County employees are seeing prior to us making a vote.

MR. VAUGHN:

I would just also add that, you know, as we're talking about process, we are basically starting -- I

mean, this -- this represents the first time that we've handled this in this manner at this time. So this is a -- this is a first time through. And as, you know, as the Commissioner said, it made sense to do it in this instance. We'll have to evaluate to see whether it makes further sense in the future. I understand your concern and we'll be happy to relay those concerns to the County Attorney.

LEG. McCAFFREY:

Okay. And I just had one question specific to the presentation. Has this -- this company, where else do they do business? I know it looks like the Midwest, Texas and things like that. Is there any north, northeastern place that they do work?

MR. MASTELLON:

Currently Brookhaven utilizes them for their permitting; the building permitting process.

LEG. McCAFFREY:

Okay, okay.

MR. MASTELLON:

New York City has a -- an extensive program that all their licensing really goes through the product with the exception of the TLC. However, the TLC is in process of evaluating that platform to bring it on for New York City. In addition to that, New York State, as a whole, the Department of State Licensing Bureau uses Accela to support their licensing needs.

LEG. McCAFFREY:

So they're probably one of the leaders in the industry in terms of this stuff, it'd be fair to say. Right?

MR. MASTELLON:

That would be fair to say, yes.

LEG. McCAFFREY:

Very good. Okay, thank you.

CHAIRMAN CALARCO:

Okay. Thank you very much. Legislator Schneiderman.

LEG. SCHNEIDERMAN:

There is a lot on Accela on the web, obviously, it's a big company and a lot of governments are using them. One of the things that seems to pop up is their use of apps, mobile apps. Is that something that's going to be incorporated here, too, where you'd be able to get information from an iPhone or another, you know, phone type of device?

MR. MASTELLON:

Yeah, we have identified that as part of phase II to incorporate the use of mobile technology for both our own internal employees as well as providing mobile applications to our constituents.

LEG. SCHNEIDERMAN:

Let me ask you one question on this. And that's great. I think that's the way the world's going and, you know, it'd be nice to be able to check to see if a contractor's licensed or -- as we expand this beyond taxi and limousine. You had put -- Scott, you had put some revenues up for the Department. And maybe this is really a question to Sam. Those -- the breakdown of those revenues, is that mostly from just the fees we're charging? Or are we actually seeing significant revenues for violations?

COMMISSIONER CHU:

Although there are, you know, significant revenues from violations, the substantial -- the substantial source of revenues are from our fees, are from our licensing fees.

LEG. SCHNEIDERMAN:

You know, because one of my concerns -- I mean, it's great to have good software and an integrated system, you know, there's obviously -- and I'm thinking beyond the Taxi and Limousine Commission to the entire Department, there's so many contractors out there, I don't know if they have licenses or whether we're able to follow-up on complaints. That enforcement piece is really, I think, is critical. We can have the best software in the world. And if all we're doing is collecting fees and licensing everybody and we're not checking up to make sure that we've got reputable contractors out in the field, we got a real problem. So I just wanted --

COMMISSIONER CHU:

I want to speak to that. You know, Scott -- Scott -- there was a piece in the presentation about avoiding costs. You know, understand that bringing efficiency to the back-end of the Department, there are significant -- so this does a couple things in terms of operations. It creates significant new efficiencies in the back-end of the Department, which are the folks that are in the office that are processing licensing applications, that are doing paperwork, that are, you know, moving, you know, information. And then there are investigators, our inspectors, they gain efficiencies, again, with things like mobile apps, with greater availability of information in the field, less duplication of effort through having to do redundant data entry processes.

So all those things add up. And if we were to take a step back and view this as -- you know, the Consumer Affairs Division is one of the departments that is kind of as close -- as close as you can get to a private sector operation. I mean -- regard -- that is a revenue-generating operation. So you can look at it that way. I don't really look at it that way. I see, you know, revenue as a symptom of us doing our job well, which is our job, which is to look out for the benefits of the consumer and the licensees. But if we're doing that, you know, a positive symptom of that is enhanced revenue.

Be if we were to look at this simply from a numbers' perspective, you know, to create efficiencies in the back-end as well as those in the field, creates what you would in the business sector call "reduced overhead." And by doing that, that makes -- changes the financials on the {amex} when considering whether or not to bring on, as we've heard today, whether or not you are bringing on more inspectors, more investigators. Because if you are -- if you know that those investigators, inspectors are, one, and able to spend more time in the field and they are essentially, you know, more productive and overhead costs for them, processing relations and having hearings is reduced because, you know, we have greater efficiencies, it just adds to a better, you know, again, and this is not, you know, completely applicable again because we're in the business of public interest, but it does create a better, you know, revenue scenario, better profit scenario if you were to -- if you were to make it analogues to that.

LEG. SCHNEIDERMAN:

So, all right, so this will provide the efficiencies to allow more potential enforcement cases, more -- freeing up that staff basically from some of the paperwork that it would normally be doing. You're saying it's two separate units.

COMMISSIONER CHU:

No, I think it gives us -- it enhances both significantly.

LEG. SCHNEIDERMAN:

So are we heading toward a world where, let's say, the consumer will be able to quickly check to see if somebody -- a contractor is licensed, and knowing that they have a County license will mean something in terms -- not just making a payment, but they'll have met certain qualifications, standards and they'll be able to -- the consumer will be able to see if there's any red flags on that contractor that might say, you know, *maybe I don't want to hire this -- this woman or this individual, this man, because, you know, they've had some issues in the past.* We're heading to that point?

COMMISSIONER CHU:

Well, that information's available now.

LEG. SCHNEIDERMAN:

But electronically.

COMMISSIONER CHU:

Yes, it'll be -- it'll be more readily available. Yes.

LEG. SCHNEIDERMAN:

So we'll be able to -- whether it's from an iPhone or from a computer they'll be able to go and check and say, *okay, this -- this company is -- got their -- all the necessary permits to operate and has a good reputation.*

COMMISSIONER CHU:

That's phase II.

LEG. SCHNEIDERMAN:

That's also phase II?

COMMISSIONER CHU:

Phase II.

LEG. SCHNEIDERMAN:

Okay. But this phase is necessary to get to phase II. Okay.

COMMISSIONER CHU:

The reason why it made the most sense to begin with TLC was because it was an entirely new function. So, you know, and the fact that it's an entirely new function enabled us, if -- you know, by doing this, by adding some simultaneity to this, you know, it just made sense. Because to do this for an existing function and then, you know, go back and retrofit TLC after we already uploaded it to our existing system was just -- it wouldn't have made sense.

LEG. SCHNEIDERMAN:

Right, but the price point would be, if -- you were just telling me it was just for taxi and limousine. Seems expensive for, you know, how many taxi and limousine companies are there out there, we could probably handle this with something else. You know, you're basically presenting it as, yes, this is for a taxi and limousine commission but we're also going to use it for consolidating all these functions within a department.

COMMISSIONER CHU:

Well, the approach that we ultimately took as a Department with implementing TLC, and this is a, you know -- Legislator Schneiderman, you're new to this Committee this year, but what we've talked about in the past was that after evaluating the TLC function and being conscious of how to most effectively implement it into the Department, you know, after evaluation it was my feeling that it made most sense to incorporate the function into our existing license unit rather than doing a standalone operation, which is something that Nassau County does. And they're struggling to keep their, you know, keep their operation as a revenue neutral or revenue positive operation. By doing that, it enables us to have employees, licensing employees, that are doing multiple functions as opposed to dedicated, you know, work on the TLC. And this is just -- this is just consistent with that approach because now you're going to have people that are working in the same environment whether they're doing, you know, TLC, electrical licensing, plumbing licensing. And I don't have -- I'm sure I don't have to go too deep to -- for everyone to understand that working in the same environment all day on the same tools rather than jumping from different tools for different licenses.

LEG. SCHNEIDERMAN:

Assuming this -- you like it, assuming the product is good and you want to expand it, are there additional costs to do that; to get it on more desktops or to have more users or -- you know, are we going to be looking at another, whatever it is, you know, cost allocation to make it work for the whole department?

COMMISSIONER CHU:

There will be additional allocations. And those will be -- also come before the Legislature in the, you know, budget -- budget requests.

LEG. SCHNEIDERMAN:

And are we currently under a agreement with CA, I guess, Computer Associates for software? Is that a -- did we bond for that?

COMMISSIONER CHU:

No. The current system we have is, if I'm not mistaken, is an in-house development.

LEG. SCHNEIDERMAN:

In-house.

MR. MASTELLON:

Through CA, I meant Consumer Affairs.

LEG. SCHNEIDERMAN:

Okay. So there's no contract or service agreement?

MR. MASTELLON:

That was developed by a consultant back in 2005. And it was transitioned over to the Department of Information and Technology around 2006.

LEG. SCHNEIDERMAN:

So we own that and there's no period before it terminates. Okay.

CHAIRMAN CALARCO:

Okay, Mr. Presiding Officer has a question.

P.O. GREGORY:

Thank you, Mr. Chair. I was in my office and I wasn't -- I was working, I wasn't really paying attention, but I was getting bits and pieces. But I was made aware of one aspect of your presentation. That's about the software. And the County Attorney said that he wouldn't feel comfortable that the Legislature view a demo. Is that correct or am I overstating, misstating?

MR. VAUGHN:

What I stated on the record was that we had a conversation with the -- with the County Attorney about the possibility of bringing the company in here to do a demonstration of the program today. That was our first option that we considered after the Capital Budget hearings process. And that -- in that consultation the County Attorney did not feel that that would be appropriate so --

P.O. GREGORY:

Why is that?

MR. VAUGHN:

And I -- the last thing I would want to do, Mr. Presiding Officer, is try and give an erroneous opinion from the County Attorney's Office or try and paraphrase the County Attorney opinion. So all we did was once we got the opinion was accept it and then try and figure out the best way to deliver the most amount of information.

P.O. GREGORY:

Was that an actual legal opinion or was that his advice as to how to proceed?

MR. VAUGHN:

I don't know the difference between the two.

P.O. GREGORY:

There's a big difference.

COMMISSIONER CHU:

You know, Tom, could you get Dennis on the phone? You know, could we try and call Dennis?

CHAIRMAN GREGORY:

There she is.

MS. LOLIS:

I'm already trying to get him.

P.O. GREGORY:

So let me just understand where we are. This is a -- it's part of the Capital Program. We just voted on this; right?

MR. VAUGHN:

You voted to include this in the Capital Program, correct.

P.O. GREGORY:

So there's a vendor that's been selected.

MR. VAUGHN:

Correct.

P.O. GREGORY:

Right. So there's nothing -- there's no information that would be released that will make -- put them at a competitive disadvantage. It may be proprietary, but a selection process has gone through and we've selected this vendor. You're asking us to make a decision. And some feel that they would be better informed to make that decision if they were to be able to review the software. And --

MR. VAUGHN:

So I certainly understand that, but I would just say, first of all, we have -- typically when we do these projects a vendor hasn't even been selected yet. So there's a multitude of information that's available to this Committee now that would not have been available in the past at all, period. There wouldn't have been a -- a vendor, there wouldn't have been a presentation to be made. There would have been -- there would have been nothing. All that -- the funding have been appropriated and then we would have had an RFP Committee, at which the Legislature has a member.

P.O. GREGORY:

I understand how you may think that supports your argument, but I think that supports my argument. Now that we have went through the process and there is -- we can put a face to the name or vice versa, some may feel that -- and I think some have expressed the willingness to sit down, or at least get a -- a review of what we're asking to do. And in this particular case, I think, it's -- it's different than the normal case because we're going into a whole new area. It's not every day we establish a whole taxing and, you know, licensing situation. This is unique. This is going to have profound impact not only in our operations but throughout the County. And I think it's appropriate that we understand what this, you know, software does. I mean, I don't think anyone's

looking to, you know, void a contract. I think they just want to become more familiar with it so I don't think see where the harm is.

MR. MASTELLON:

I'd just like to point out that they don't have a contract at this point in time. They've been --

P.O. GREGORY:

Right. I'm not trying --

MR. MASTELLON:

Understood.

P.O. GREGORY:

Yes, yes. I got you. I didn't mean to -- I really -- but there's a intention to try to move forward with this particular vendor, whoever it is. And I think it'd helpful to kind of see, you know -- I've never had any experience with this personally so I would like to know what this software does. And some of my colleagues, it appears, feel the same way. So -- so maybe we can do -- set something up for Tuesday. I mean, I don't, you know --

MR. MASTELLON:

Sure.

CHAIRMAN CALARCO:

Perhaps what we can do is, is maybe for those of us on the Committee here who would like to get the demonstration, you know, perhaps the County Attorney's concern is doing it in the public forum. Maybe we can arrange some sort of opportunity to maybe go over to Licensing and Consumer Affairs and sit down and see what -- see if they can give us a presentation over there at their offices for those of us looking for it. Would that be a fair compromise? Because we're getting close to twelve and the next committee's going to be coming up. And we have another hot topic on the agenda.

COMMISSIONER CHU:

I don't have an objection to that pending, you know -- you know, consulting with legal, but, you know, we'd be glad to have you over.

CHAIRMAN CALARCO:

Yeah, it does make sense. I mean, the contract, you know, we -- the bid has been awarded. It's not like this person's -- this entity's getting an unfair advantage over any competitors at this point. There's a tentative award pending approval from us, so.

COMMISSIONER CHU:

I don't have -- again, I don't have an objection. But I would also, you know, stress that this is separate from the actual resolution. You know, this resolution, the 1540's separate from resolution that actually establishes --

CHAIRMAN CALARCO:

Sure.

COMMISSIONER CHU:

-- the Taxi and Limousine Commission.

CHAIRMAN CALARCO:

Yeah, they're two separate entities.

COMMISSIONER CHU:

Yeah. I would also suggest that there has been an RFP process. So, you know, given -- if the

Legislature was, you know -- I don't know how much room there is --

CHAIRMAN CALARCO:

I guess what we're saying is our preference is, you know, we'll move the bills out of Committee here so it'll come to the floor on Tuesday. But, in the meantime, hopefully you guys could try to set something up with those of us who would like to see, you know, the software.

MR. MASTELLON:

Given the fact that we would require travel potentially, would you consider a WebEx at which point in time we would access and look at the information over the internet versus an in person --

CHAIRMAN CALARCO:

See, Legislator Cilmi says even better.

MR. MASTELLON:

Obviously I'd have to consult with the - with Accela to determine whether or not they have any availability and we'll work with your offices pending approval from the County Attorney to -- to accommodate your request.

LEG. CILMI:

Yeah, yeah, I mean, I was prepared to support it anyway only because I can envision what they're going to do here. And I had an opportunity to look at this book that Accela provided and so -- but my colleagues didn't have that opportunity.

COMMISSIONER CHU:

We'll make sure that they have availability. And, you know, in deference to the County Attorney, I believe that if, you know, someone reached out to Accela and asked for a presentation, you know, they would give it, you know, despite any considerations of appropriations. So they are a company who sells software. And I haven't found too many shy, you know, software salespeople. So I think that we'll do our efforts to arrange for a private viewing, so to speak, for the interested Committee Members and for the full body whoever's interested.

CHAIRMAN CALARCO:

Okay, great. Thank you very much. What I'd like to do, I guess, since we spent a lot of time on this particular resolution, I think we all kind of know where we line up on it. I make a motion to take IR 1540 out order; second by Legislator Cilmi. All those in favor? Opposed? Abstentions?

INTRODUCTORY RESOLUTIONS

IR 1540 - Amending the 2014 Capital Budget and Program and appropriating funds in connection with the purchase of a Countywide Licensing Program for the Department of Labor, Licensing and Consumer Affairs (CP 1819) (Co. Exec.) is before us. I'll make a motion to approve; second by Legislator Schneiderman. All those in favor? Opposed?

LEG. LINDSAY:

Recusal.

CHAIRMAN CALARCO:

Please note the recusal of Legislator Lindsay. **IR 1540 is approved (VOTE: 5-0-0-0-1 - Recusal: Leg. Lindsay)** And you guys will work with Legislator Cilmi and the Presiding Officer to make sure they get -- and Legislator McCaffrey to try to make sure they get a presentation, if possible. And I appreciate that effort.

Okay. We are going to go back to the beginning of the agenda. And we only have two more resolutions in the Tabled Resolutions portion.

TABLED RESOLUTIONS

IR 1409 - Adopting Local Law No. -2014, A Local Law to establish the Suffolk County Taxi and Limousine Commission and to provide for the registration of for-hire vehicles. (Co. Exec.) I will make a motion to approve; second by Legislator Schneiderman.

LEG. CILMI:

On the motion.

CHAIRMAN CALARCO:

On the motion, Legislator Cilmi.

LEG. CILMI:

Just a quick question, has anything changed since the last time this was before us? I know we wanted to hold off because we were getting the other stuff situated but --

COMMISSIONER CHU:

We did make a -- you know, we had gotten feedback from Department of Criminal Justice Services New York State, which is a necessary component for us to be able to do background checks, which, again, you know, plays back to the security needs of the Department. We're going to have enhanced security needs given that we now have the new authority, you know, heightened authority to do background checks in-house. They requested that we make certain changes, which I know our, you know, the County Attorney's Office consulted with -- with Mr. Nolan. And they both were in agreement, I think. And correct me if I'm wrong, Mr. Nolan, that the considerations weren't considered, you know, substantial to require -- to trigger a new public hearing. It was just really to satisfy, you know, DCJS.

LEG. CILMI:

If somebody could just detail those changes for me, I'd appreciate it.

COMMISSIONER CHU:

Gail?

MS. LOLIS:

I walked in as you were asking the question. The most recent change?

LEG. CILMI:

Since the last time the Committee had an opportunity to address this.

MS. LOLIS:

It was -- the -- DCJS had an issue with the way we defined applicant because it wasn't exactly -- it had some extraneous words in it so they wanted the extraneous words out. Because this -- this law deals with licensed drivers, licenses, registrations, and the -- the prearranged for-hire permits. They wanted the -- the definition of applicant to be limited to those. So what we've removed was -- excuse me -- base station operator, I believe was one of the words because there's no other reference to it in the law. I think we had the word *registration* before *permit*. They wanted us to remove the word *registration* and just leave it the -- for-hire, prearrange for-hire permit. And I think there was just one other word. But that was it. It was just within the definition of applicant. We showed them the revised language. They were fine with it. They sent a letter. Everything was fine.

LEG. CILMI:

Okay. That's fair enough.

One other question. The resolution extends some authority and power to the Commissioner of the

Department to promulgate certain rules and regulations and some other things probably. So if you could itemize for us the authorities that we're extending to the Commissioner as part of this resolution.

MS. LOLIS:

Well, it's right in the powers: *to amend, repeal rules and regulations, which are consistent with the chapter as it relates to the content of the applications, for registrations and licenses, for the reception thereof, how to investigate the applicants and their qualifications, the conduct, advertising of occupations regulated by the chapter.* It's actually all outlined on page seven of the bill. And then the rules will get filed with the Clerk of the Legislature.

LEG. CILMI:

And then it goes onto say *no rule or regulation may be promulgated, amended or repealed pursuant to this subsection unless a public hearing is held by the commissioner at least seven business days prior. Notice of such public hearing shall be published, blah, blah, blah. A copy of all rules and regulations shall be filed in the Office of the Clerk of the County Legislature.* But, Gail, in your opinion are those rules and regulations that -- that the Commissioner has authority to promulgate, are they substantive in nature such that the Legislature may want to know about them prior to promulgation?

MS. LOLIS:

It's kind of in a vacuum. I'm --

LEG. CILMI:

I mean, I'm just concerned about extending some authority to the Commissioner who although -- you know, does a good job and, you know, I'm sure he has the best interest of the County and the folks who will be licensed by this Commission in his heart and mind. I'm always a little reticent about extending authority or too much authority to an unelected person.

MS. LOLIS:

The rules and regulations have to be consistent with the authority you're giving with this law.

LEG. CILMI:

Okay.

MS. LOLIS:

It's really more in terms of implementation.

LEG. CILMI:

Okay.

MS. LOLIS:

And this law contains quite a bit of detail.

LEG. CILMI:

Okay, fair enough. Thank you.

CHAIRMAN CALARCO:

Legislator McCaffrey.

LEG. McCAFFREY:

Thank you. Commissioner, I just wanted to follow-up on a discussion we had the last time you were here. I just wanted to clarify something. I believe you said that if a -- a taxi or a limousine that's already regulated under another jurisdiction does not require reciprocity, meaning they weren't going to leave Suffolk County, that they would not be required to get the -- this licensing.

COMMISSIONER CHU:

That's correct.

LEG. McCAFFREY:

Okay. And then also -- and we've had discussions about whether some municipalities, which currently regulate taxis, would be able to get that reciprocity. Is it -- am I clear in saying that if their requirements, meaning the background checks, fingerprints and all the things that are required to get the Suffolk County licenses are met through those jurisdictions, if they do meet those standards now or they come up to those standards, that they would be eligible for just that reciprocity license?

COMMISSIONER CHU:

Their allowance is for reciprocity to the vehicles. If the vehicle registration -- again, the registrations to the vehicle. Unfortunately, you know, as the law is currently written, you know, we're the only jurisdiction that can offer the ability to give a license to a driver that's reciprocal with other -- and the registration, for that matter, to other jurisdictions. And this is a -- was an education process we went through with DCJS. DCJS does not allow sharing of information among account users. So if -- so the Police Department, for instance, they do background checks through DCJS and so does Probation. Now we will be an agency that does it as well. So even amongst the County departments, you know, I couldn't -- I couldn't have information come from Probation or from the Police Department. That's why as -- that's why to meet the requirements for 498 -- State code 498, we needed to get our own account, establish our own account with DCJS.

So the same would hold true with the local municipalities. If, let's say, the Village of Lindenhurst, even if they did, and I don't -- I'm not currently a hundred percent familiar but I don't think they do currently have that set up with DCJS. But even if they were, there's no mechanism that allows the exchange of that information. So we wouldn't be able to grant reciprocity based upon, you know, a background check that was both established and maintained -- communication maintained with other agency. For instance, you know, with our -- by establishing an account with DCJS, and this speaks to some of the terms that Legislator Hahn had raised in previous committee meetings, you know, if something comes up on someone's record, we're going to get notified if someone is licensed through our system. There's just -- you know, in the regulatory structure beyond us, there's just no way to make that connection.

We've done everything we can in this law to ease the duplicative costs. But we are limited in the extent we can, you know, we can grant that just because of those constraints; and the responsibilities that we have to our license and registration to the State code.

LEG. McCAFFREY:

But aren't you granting reciprocity to other counties and to the City of New York? I mean, you're -- I mean, you're already doing that with Nassau County and New York City with this reciprocity. Why wouldn't we want to do that with our own municipalities?

COMMISSIONER CHU:

This is not a matter of desire. The State code allows for that.

LEG. McCAFFREY:

The State code allows for you to grant reciprocity to Nassau and New York City. And you would have -- you would have no knowledge, you know, you made the argument that if something came up in their background, you wouldn't be notified. Well, you necessarily wouldn't be notified by Nassau County as well, would you?

COMMISSIONER CHU:

That's correct. But this is specifically spelled out in 498 that these are the named entities that we by -- just by following the -- by following the regulations of reciprocity, you know, reciprocity becomes

granted. It does not site any other entity besides, I think, you know, Nassau, Suffolk, the five boroughs of New York or Rockland or Westchester County.

LEG. McCAFFREY:

Okay. So just to clarify one more time then. So someone would not have -- if they don't leave -- they're not requesting reciprocity, somebody who's licensed in the Village of Babylon, Village of Lindenhurst or any other village or any other town that regulates taxicabs, they would not be required to get this taxi and limousine license.

COMMISSIONER CHU:

No, not if they're leaving -- if they're not leaving Suffolk County, no.

LEG. McCAFFREY:

Okay.

COMMISSIONER CHU:

The legislation doesn't give us that authority.

LEG. McCAFFREY:

Okay. And there's no way that you would accept that the -- the qualifications, even if they were the same in Suffolk County, as Suffolk County's, for that reciprocity that you would give to Nassau.

COMMISSIONER CHU:

Again, the --

LEG. McCAFFREY:

Because of the State law.

COMMISSIONER CHU:

-- State law allows us to do it.

LEG. McCAFFREY:

Okay. All right, thank you.

CHAIRMAN CALARCO:

Okay, thank you. I think, Legislator McCaffrey, that kind of gets to the point to the reason why we sought the TLC in the first place is that our limo industry was being hammered by Nassau County because we didn't have that State authorization to create that reciprocity.

LEG. McCAFFREY:

I agree 100% with the limousines, they're in favor of it. I don't think the taxicabs even really know about this. I mean, if they do, they're going to be going through the roof. And, you know, this also goes further from what I understand --

COMMISSIONER CHU:

We have had conversations. We've met with taxi and I have subsequent meetings and, you know, and we've reached out and we've had -- I mean, and I think some of the Legislators have been in those meetings. This has not been done in a vacuum by any means. And, you know, we're intent and I'm personally intent on working with all of the -- you know, and I think that this, and I've expressed this before, that, you know, we -- we had many, many conversations with the industry, the limousine/taxi to come to a law that we thought could be effective for the needs of the industry, but at the same time, you know, not be, you know, limit, duplicative, cost as much as possible. But we are, you know, we are constrained by the rules we have to abide by, by the State code.

LEG. McCAFFREY:

No, I understand. I'm just trying to clarify because I am going to be asked about it because within my district there are two -- two villages that do regulate taxis right now. And it would be an additional cost to them and they actually set the fares, you know. And they're going to come back to the villages and say, *well, now we have this extra licensing fee from Suffolk County, we have to raise our fares to do business within your villages.*

COMMISSIONER CHU:

I don't necessarily think that is the case, only if they are interested in leaving the County.

LEG. McCAFFREY:

That's why I was looking to clarify what that is. This also goes a little further besides taxi and limousines. We have ambulances, ambulettes, buses and funeral cars as well?

MS. LOLIS:

They're exempted.

LEG. McCAFFREY:

Fifteen or more. Excuse me? Is that what it says in the law? Was I reading the wrong part? I was reading the exemptions not the --

MS. LOLIS:

Yes.

LEG. McCAFFREY:

I was.

MS. LOLIS:

It's not intended for fixed route buses, ambulances, which would include the ambulettes.

LEG. McCAFFREY:

So it does not include the ambulances.

MS. LOLIS:

Yeah.

LEG. McCAFFREY:

Okay.

COMMISSIONER CHU:

Certain vehicles there's a whole -- there's a host of Department of Transportation regulations that -- that they fall under.

LEG. McCAFFREY:

Okay. Okay, thank you.

CHAIRMAN CALARCO:

Okay, thank you. Are there any other questions? Seeing none we have a motion and a second. All those in favor? Opposed? Abstentions?

LEG. LINDSAY:

Recusal.

CHAIRMAN CALARCO:

IR 1409 is approved. (VOTE: 5-0-0-0-1 - Recusal: Leg. Lindsay) Okay, IR 1467 --

LEG. LINDSAY:

Recusal.

CHAIRMAN CALARCO:

Oh, please note the one recusal by Legislator Lindsay.

IR 1487 - Adopting Local Law No. -2014, A Charter Law to consolidate financial management functions in the County Department of Audit and Control. (Lindsay) Motion by Legislator Lindsay; I'll second the motion. Any discussion? Okay. All those in favor? Opposed?

LEG. McCAFFREY:

Opposed.

LEG. CILMI:

Opposed.

CHAIRMAN CALARCO:

Abstentions? **It is approved. (VOTE: 4-2-0-0 - Opposed: Leg. McCaffrey & Leg. Cilmi)**

Okay. We have no other items on the agenda. Seeing that we have nothing else coming up and we're quickly approaching our next committee, we will make a motion to adjourn. Thank you everyone.

**THE MEETING CONCLUDED AT 12:04 PM
{ } DENOTES SPELLED PHONETICALLY**