ENVIRONMENT, PLANNING & AGRICULTURE COMMITTEE
PARKS & RECREATION COMMITTEE

OF THE

SUFFOLK COUNTY LEGISLATURE

MINUTES

A special joint meeting of the Environment, Planning & Agriculture Committee and Parks & Recreation 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 May 22, 2007 to discuss the matter of the Capital Budget.

MEMBERS PRESENT:
Leg. Vivian Viloria-Fisher, Chairperson of the Environment, Planning & Agriculture Committee/Vice Chair of Parks & Recreation
Leg. Kate Browning, member of the Parks & Recreation Committee
Leg. Lou D'Amaro, Vice Chair of the Environment, Planning & Agriculture Committee
Leg. Wayne R. Horsley, member of the Environment, Planning & Agriculture Committee
Leg. Edward P. Romaine, member of the Parks & Recreation Committee
Leg. John M. Kennedy, Jr. Member of the Environment, Planning & Agriculture Committee

ALSO IN ATTENDANCE:
Gail Vizzini, Director of Budget Review Office
Robert Lipp, Deputy Director of Budget Review Office
Lance Reinheimer, Assistant Director of Budget Review Office
Rosalind Gazes, BRO
Jill Moss, BRO
Joe Muncey, BRO
Ben Zwirn, Assistant Deputy County Executive
Pat Hubbard, Cornell Coorperative Extension
Gregg Rivera, Cornell Cooperative Extension
Lance Mallamo, Executive Director of the SC Vanderbilt Museum
Steve Gittelman, Vanderbilt Museum
Carmine Chiusano, Budget Office, County Executive
Carrie Meek-Gallagher, Commissioner of Environment & Energy Department
Thomas Isles, Director of Planning Department
Christopher Kent, Director of Real Estate
And all other interested parties

MINUTES TAKEN BY:
Alison Mahoney, Court Stenographer
MINUTES TRANSCRIBED BY:
Denise Weaver, Legislative Aide

(*The meeting was called to order at 2:02 PM*)

CHAIRPERSON VILORIA-FISHER:
Please join us for the Pledge led by Legislator Horsley.

SALUTATION

CHAIRPERSON VILORIA-FISHER:
Good afternoon, Commissioner.

COMMISSIONER FOLEY:
Good afternoon.

CHAIRPERSON VILORIA-FISHER:
I asked you before the meeting began but I will ask you on the record. Is there anything that you would like to bring to our attention regarding the Capital Budget and the Budget Review Office's review of the Capital Budget? Is there anything that jumps out at you?

COMMISSIONER FOLEY:
For the most part in their wisdom the Budget Review Office did an excellent job, I think, of identifying the major points and in most cases we agree on the numbers.

The one theme that runs through the analysis that I do disagree with is not bonding these Capital Projects, but putting them in the General Fund. And the reason for my disagreement is we make those decisions almost every day with our maintenance forces, what projects to do with our General Operating Fund as major maintenance versus Capital Projects. So we on a very regular basis keep smaller projects out of our Capital requests by doing them with our maintenance forces. And so I would say when we've prepared our budget request we've already dealt with those issues that difference between what ought to be a Capital Project and what's Operating.

But other than that I essentially agree with what BRO has said and I think they did a good job.

CHAIRPERSON VILORIA-FISHER:
Okay. And Commissioner, although I understand what you're saying regarding your ongoing maintenance and the work that needs to be done in the Park system, how many of those projects would you say would fall under our 5-25-5 rubric, which determines whether or not we're going to use pay-as-you-go monies or Capital Projects because if it falls within that 5-25-5 criteria then there's no argument there and most of the maintenance work I would assume would fall under that criteria.

COMMISSIONER FOLEY:
I'm not schooled enough in those criteria to answer that intelligently. So I'll --

CHAIRPERSON VILORIA-FISHER:
Okay, let me ask Budget Review the same question. Okay, so the Commissioner that's the one point that he's raising regarding your recommendations, Gail and we do want to see less bonding and more pay-as-you-go. And so with regards to the parks how many of the expenditures that you've seen in the parks should be under pay-as-you-go and are not? How many of them do fall under the 5-25-5 rule?

MS. VIZZINI:
I can't answer your specific question but page 54 of our review of the Capital Program --

CHAIRPERSON VILORIA-FISHER:
Right.

MS. VIZZINI:
-- we talk about the pay-as-you-go financing generally.

CHAIRPERSON VILORIA-FISHER:
Yes.

MS. VIZZINI:
And we identify $23 million worth of recurring for equipment purchases that would by our definition in the Charter of the pay-as-you-go 5-25-5 law would fit that criteria and that definition. And I absolutely understand the challenges for the department as well as for the policy makers to provide the line item, which is in the Operating Budget that is commensurate with the pay-go money that's in the Capital Program.

This proposed Capital Program proposes 1.8 million in pay-go monies for '08. Now the 1.8 million compared to 23 million implicit in that is once again for 2008 there will be a waiver, a waiver of the law that we have on the books.

What Budget Review is recommending in general is that we once again return to a more robust pay-as-you-go policy, something perhaps with incremental from the 1.8 million. What the Legislature did in the '07 budget was we added 2.7 million for pay-go and in the event that sales tax comes in as we hope it will be, that will increase the amount of pay-go available in 2007. So, you know, part of our recommendation if the law is on the books -- another thing we do recommend is perhaps we review the law and maybe refine the definition in terms of what we mean by recurring and what we mean in terms of what should be funded based on this criteria.

CHAIRPERSON VILORIA-FISHER:
Gail, I had looked at the pages 54, 55 because the Commissioner had given me a head's up that that was something he was concerned about so I looked that up in the review but you didn't in other words, earmark those places that you saw in the budget or that you -- you didn't give any examples I mean I didn't look at coveting.

MS. VIZZINI:
Yeah, there are seven projects if Lance could rattle them off if it's your pleasure.

CHAIRPERSON VILORIA-FISHER:
Thank you, Lance.

MR. REINHEIMER:
Okay, the seven projects that we identified that are in the 2009 through 2000 -- or 2008-2010 program is Capital Project 7007, which is fencing surveying various County parks; 7011 heavy duty equipment for County Parks; 7065 establishment of dog runs; 7079 improvements in lighting to County Parks; 7099 reconstruction of spillways in County parks; 7136 mobile data terminals for Park Police vehicles; and the last one is -- well, actually there's two more, one was in the 2007 program; generated for park police headquarters and equipment for revenue collection of park facilities. These are in nature are equipment purchases under finance law equipment's five years, which would fall within the 5-25-5 pay-as-you-go.

CHAIRPERSON VILORIA-FISHER:
So you're saying all the Parks projects that are in the Capital.

MR. REINHEIMER:
Excuse me?

CHAIRPERSON VILORIA-FISHER:

As you read those it sounded as if you were reading all of the Parks projects.

MR. REINHEIMER:
No, no, there's other projects.

CHAIRPERSON VILORIA-FISHER:
Okay. All right. They list the fencing and surveying as the total cost being 650,000 but what you're saying is that it's broken into a number of components.

MR. REINHEIMER:
Right. Well, part of it is equipment, part of it is also reoccurring projects that even though they're not in the same facility or same area, every year the Parks Department does fencing and surveying of their parklands so that's an ongoing reoccurring project. So that's part of the definition of Local Law 23-94.

CHAIRPERSON VILORIA-FISHER:
Okay. Are there -- is there any other Legislator who wishes to ask a question, make a comment? Okay, thank you very much. Oh, Legislator Kennedy.

LEG. KENNEDY:
Thank you, Madam Chair. Just two particular Capital Projects, I guess, that involve Blydenburgh Park and I wanted to ask the Commissioner to comment on the -- two projects, well, one project that's been kind of a perpetual and ongoing item that we'd like to see ultimately brought back and that's mill at Blydenburgh. I know that we've had some intermediate efforts at stabilization however, it's undergoing an assessment and it really is in need of some -- both stabilization and work itself to put it back in working order. Do we have adequate funding there? What's it going to take to have this happen?

COMMISSIONER FOLEY:
The honest answer to your first question is we don't know and the honest answer to your second question is we don't know.

LEG. KENNEDY:
Well, that's good that's what I always like.

COMMISSIONER FOLEY:
DPW has engaged a contractor to do -- to replace the stabilization that was done a number of years ago and that part of it is complete. The second phase of that project is to do a complete soup to nuts analysis of the building and what it needs for restoration. They are midway through that analysis and they haven't come up with even a guess number yet. So until Dunn Engineering I think it is, completes that analysis and the estimates that go with it those questions are not answerable.

LEG. KENNEDY:
I believe that what's in for '08 for stabilization at this point is 50,000.

COMMISSIONER FOLEY:
Five hundred thousand.

LEG. KENNEDY:
Well is 500,000 overall for stabilization?

COMMISSIONER FOLEY:
Overall?

LEG. KENNEDY:
For the mill.

COMMISSIONER FOLEY:
Yes. Well, the stabilization -- the emergency stabilization is done.

LEG. KENNEDY:
Okay.

COMMISSIONER FOLEY:
And there's a balance on the books and there is 500,000 proposed in '08 to continue the restoration knowing that it's going to be more than that but not knowing what the total is yet.

LEG. KENNEDY:
Okay. And do we have any idea how soon we're going to get that information from Dunn?

COMMISSIONER FOLEY:
I don't know. I've talked to Tom LaGuardia, DPW, as have you and he's working on it he's pushing them but they don't have a definitive date yet.

LEG. KENNEDY:
Okay. The second piece that's somewhat related to that is the earth and dam and the sluiceway that's there at Stump Pond.

COMMISSIONER FOLEY:
Right.

LEG. KENNEDY:
Now as you know we have a project up in Smithtown to go ahead and clean out the streams that feed Stump Pond. There again, I think we only have 50,000 in order to assess the viability of that dam and sluiceway as it is now?

COMMISSIONER FOLEY:
Well, what you have is 50,000 to repair the sluiceway as you call it and restore the part that formerly ran the mill. That doesn't analyze the soundness of that earth and dam. We think there are problems there, leaks have been reported in it but we're going to have to conduct a broad ranging analysis of that as well as the body of water that it holds back and what the implications are north of it in Caleb Smith State Park.

LEG. KENNEDY:
Right and that's with it as it is now with the really very minimal rate of water flow coming from the streams north into it. If we succeed in opening up that stream flow it's only going to put greater stress on the dam and the sluiceway as it is now, right?

COMMISSIONER FOLEY:
Some have said that, I don't know. I don't know how large a magnitude of change you can get out of that. In a sense you're cleaning out the same water flow body. I don't know that the volume is going to increase that much. The flow rate may increase but the dampening effect of the pond may minimize that.

LEG. KENNEDY:
But in any event we have an indication right now that there may be some issues associated with the viability of the earth and dam itself.

COMMISSIONER FOLEY:
We believe there are. We need to get the analysis done to know for sure.

LEG. KENNEDY:

How are we going to move to that next step?

COMMISSIONER FOLEY:
It will be through DPW. Talking to Tom Rogers in DPW their Waterways Bureau will take a look at it, tell us what we need to hire an engineer to do the analysis.

LEG. KENNEDY:
So you've got a formal request in to him though to start that process?

COMMISSIONER FOLEY:
Yes.

LEG. KENNEDY:
And that's going to require some funding in order to underwrite that engineer.

COMMISSIONER FOLEY:
It will.

LEG. KENNEDY:
Okay. All right. Thank you, Madam Chair.

CHAIRPERSON VILORIA-FISHER:
Legislator Romaine.

LEG. ROMAINE:
Yes. I see you have money in to refurbish some of the County's golf courses that are run by the Parks Department. Can you tell me what the reason might be for a drop off of rounds of golf played at the Bergen Point Golf Course from I believe a high of in 2004 of about 49,000 rounds of golf down to about 31,000 which is -- this for 2006, which is a significant drop off?

COMMISSIONER FOLEY:
It's a hard thing to figure out exactly the cause for that. A lot of it's weather. That same report except for Timber Point you'll see that there was a drop off in everybody. It's increased competition, there are more privately operated golf courses open to the public than there were 15 or 20 years ago. And with that increase in the number of golf courses the interest in golf has not risen at the same rate. So people can go -- they've got a lot of choices. We've had some condition problems at that golf course, we've been on there -- we've been pressuring them to improve things there and they have made -- they've turned it around some, they've still got some work to do. So there isn't one clear answer to that question.

LEG. ROMAINE:
You're talking about the concessionaire?

COMMISSIONER FOLEY:
Yes.

LEG. ROMAINE:
Let me ask you another question and then I'll save all my other questions for the next Parks Committee meeting, which I'd like to talk to you at that time about golf courses and if you want to call me at my office I'll be happy to give you some specifics that I -- if you could address at the next committee meeting.

But with our concessionaires, we do do a credit and background check on our concessionaires who bid on when the golf course concessionaires come up for bidding we do do a background check and a credit check. Is that correct?

COMMISSIONER FOLEY:
We do a financial background check, which --

LEG. ROMAINE:
Do we do a criminal background check, just out of curiosity?

COMMISSIONER FOLEY:
I'm not aware that we do. I don't know that we can or we're required to. I'd have to check. It's possible that we do but I'm not familiar with that.

LEG. ROMAINE:
I'll discuss that at the --

COMMISSIONER FOLEY:
By committee time, yep.

LEG. ROMAINE:
-- next Parks Committee meeting. One last question that we have. We have a -- parkland and usually if you're going to in anyway alienate parkland that's usually an issue that's brought before the County Legislature and I'll be very specific.

We had gas pumps that were located at Indian Island Golf Course in Riverhead and we moved them from their current location to a location on Riverside Drive, which is essentially a residential neighborhood just a little south of the golf course there or I guess it would be west of the golf course depending on how you run along the river. And there was a lawsuit and apparently we are involved in litigation so I'm not asking you to get involved in the litigation part but wouldn't it have been appropriate since that's parkland that you're alienating essentially to have brought that issue to the County Legislature before you made -- you or whoever made the unilateral decision to move the gas pumps onto Riverside Drive in violation of Riverhead Town code?

COMMISSIONER FOLEY:
Well, I disagree that it's an alienation first.

LEG. ROMAINE:
Okay.

COMMISSIONER FOLEY:
It is not an alienation to have services and improvements in a park that support the park operation as that does.

LEG. ROMAINE:
Now we know -- we know that all County vehicles are gassing up there from Deputy Sheriffs to a whole host of other County vehicles that have nothing to do with the operation of the Parks.

COMMISSIONER FOLEY:
As they do in most other Parks where there are gas pumps --

LEG. ROMAINE:
Right.

COMMISSIONER FOLEY:
-- including West Sayville and many others.

LEG. ROMAINE:
Okay.

COMMISSIONER FOLEY:
That does not make it an alienation. I shouldn't -- I can't talk a great deal about this because as you pointed out it's in litigation.

LEG. ROMAINE:
Right. It's in litigation. Right.

COMMISSIONER FOLEY:
So I'm giving you more of my --

LEG. ROMAINE:
I'm just curious why it didn't come to the County Legislature?

COMMISSIONER FOLEY:
Well, I believe it did come to the County Legislature.

LEG. ROMAINE:
Okay.

CHAIRPERSON VILORIA-FISHER:
If I may interrupt, Legislator Romaine --

LEG. ROMAINE:
Yeah.

CHAIRPERSON VILORIA-FISHER:
-- unless this has to do with the Capital Budget --

LEG. ROMAINE:
Okay. Thank you.

CHAIRPERSON VILORIA-FISHER:
We really don't want to --

LEG. ROMAINE:
Thank you, Commissioner. Thank you.

CHAIRPERSON VILORIA-FISHER:
-- pursue this line of questioning. Thank you. Okay, I just had one more brief question and that was about the Scully Estate. Because the recommendation from Budget Review is that we -- we're not spending the Greenways Interpretive Center money as we should be on this. And I know there has been some vandalism at the Scully Estate, I think that that's been stemmed but it did come up at the CEQ meeting we were talking about some of the vandalism that took place. Can you tell me why that we're not accessing the monies that were set aside by the Greenways referendum for the Interpretive Center?

COMMISSIONER FOLEY:
There were $2 million made available in 1996 in that so-called bond act, the Greenways Fund for an Environmental Interpretive Center. For all that time until mid 2005 nothing was done to move that money. In 2005 the Legislature designated the Scully mansion as the Environmental Interpretive Center for the Greenways Program. We engaged a consultant design firm and moved as quickly as we could and spent all of the 2 million restoring that place for the Environmental Interpretive Center except about $116,000. And the 116 just because the clock ran out on us. That 116 is still on the books there are varying opinions about whether or not it's available. We did everything we could to use that money for its intended purpose before it ran out.

Vandalism occurred before we started that project. It was vandalism of a tragic nature the place is truly a historic asset, a unique historic asset for the County. All the windows were leaded glass windows.

CHAIRPERSON VILORIA-FISHER:
I know.

COMMISSIONER FOLEY:
The vandals broke out every window in the building. We just thumbnail estimated that damage to be worth $50,000. It ended up costing us $300,000 to replace all those windows that were broken, And that wasn't all from vandalism, some of it was just from age. But that was $300,000 of that 2 million. I think a resolution has been introduced to appropriate one point --

MS. VIZZINI:
One point one.

COMMISSIONER FOLEY:
$1.1 million with an offset for this year, which would complete the restoration of the building and create the home for the Environmental Interpretive Center. So we're on track to finish that up as was intended.

CHAIRPERSON VILORIA-FISHER:
Okay. Any other questions? Thank you very much, Commissioner.

COMMISSIONER FOLEY:
Thank you.

CHAIRPERSON VILORIA-FISHER:
Commissioner Gallagher?

COMMISSIONER GALLAGHER:
Yes.

CHAIRPERSON VILORIA-FISHER:
Now I see some post-it notes there. Yes, can everybody come up who would like to --

COMMISSIONER GALLAGHER:
Okay. Chris, Karen why don't you just come up now just in case.

CHAIRPERSON VILORIA-FISHER:
Okay. Because I don't have questions for you. I'm not seeing anything --
COMMISSIONER GALLAGHER:
Okay, good yeah. I'm --

CHAIRPERSON VILORIA-FISHER:
-- that jumps out at me so I'm leaving it to you to point out to us what we should be looking for.

COMMISSIONER GALLAGHER:
Actually I'm just here prepared to answer questions because we really only have two programs in the Capital Budget a third one that's DPW but I'll be administering and overseeing and we're perfectly happy with everything as, you know, as presents in the Capital Budget.

CHAIRPERSON VILORIA-FISHER:
Okay. Well, it seemed clear to me I didn't have any problems with anything I saw. Gail, is there something that we need to be looking at that I might have missed?

MS. VIZZINI:
Just that the Land Acquisition Programs are funded as they had been previously adopted. There's 13.3 million in each year for multi-faceted. The Legacy Program continues 15 million in '08 and 15 million in '09. In addition to that there's a resolution in the new packet that will add 17 million to multi-faceted it's the -- offset monies from the Tier II Shelter that will add in 2007.

CHAIRPERSON VILORIA-FISHER:
And the Legacy Fund will continue to be something that requires matching monies?

COMMISSIONER GALLAGHER:
Yes.

MS. VIZZINI:
That's correct, yes.

CHAIRPERSON VILORIA-FISHER:
Okay. Legislator Kennedy.

LEG. KENNEDY:
Thank you, Madam Chair. I guess I'm just going to ask to expand a little bit on the Land Acquisition Programs and in particular that transfer that we see going forward. Is this something that's designed to address commitments that we already have? In other words agreements, contracts or offers that have been accepted or are we transferring a balance against which we maybe -- I see the answer that I need in the back already.

MR. ZWIRN:
It's for specific projects.

LEG. KENNEDY:
So we're covering commitments to date anything going forward should we have successful offers from the public is going to require us to find additional transfer and offset?

DIRECTOR KENT:
Yes.

LEG. KENNEDY:
Okay. So then the next question is and this is one I guess Mr. Kent, this is the next one I guess that I'll ask you to just give a general opinion on because obviously you can't give any specifics. Can we anticipate that we may be looking at the need for some subsequent large transfer? Do we have any --

DIRECTOR KENT:
In 2007 are you referring to? Or --

LEG. KENNEDY:
Yeah, this year.

DIRECTOR KENT:
We're anticipating spending all the money that we have available this year. The 17.5 million will give us some ability to acquire more parcels that have already been accepted offers on or are in the negotiation process. We have appraisals that are completed. We have prices that we're willing to offer at this point and we'd like to get them done in 2007. So I think we will have that entire $17.5 million spent by the end of the year.

LEG. KENNEDY:
Which is a laudable goal that we actually close on that much going forward, but I guess the question

that I'm artfully trying to pose, and maybe it's not a question that can be answered at this point is, is there something -- is there -- a letter of intent that's been sent out on a prospective purchase. We might anticipate where we're going to be called on to have to go ahead and fund yet another large scale purchase.

DIRECTOR KENT:
We're not sending out offers when we don't have money. So is your question are we sending out offers that we're going to then have to fund? No, we try to anticipate the amounts that we're going to offer and make sure we have monies available to meet those offers.

LEG. KENNEDY:
But then that means that as we go forward and if we adopt subsequent planning steps resolutions for this foreseeable time period that the process is going to be somewhat affected in that you can't seek a solicitation or an offer because we're not funded to actually consummate that transaction?

COMMISSIONER GALLAGHER:
Let me just clarify. I think that it's important to understand that everything that's out there we budgeted for. That's why actually some of the comments that BRO made in the report was regarding an encumbrance of funds and in an effort to be fiscally responsible we want to make sure that we encumber and account, you know, encumber funds and account for anything that's out there in negotiations so if those offers are accepted we would know that the funds are available.

Moving forward, you know, future big picture, certainly are we going to need additional sources of funding, we all know that out into the future we'll -- that we'll need to in order to continue our aggressive Land Acquisition Program we will need to identify, you know, additional sources of revenue but that's a, you know, a question that I don't think we can answer today.

LEG. KENNEDY:
But Madam Chair, if you'll indulge me for just --

CHAIRPERSON VILORIA-FISHER:
But it's not precluding negotiations. I just want to underscore what the Commissioner just said and I was afraid that that might have been a conclusion drawn from your comments, which was at this point we're not precluding negotiations because of lack of funds.

DIRECTOR KENT:
Oh no we're not.

CHAIRPERSON VILORIA-FISHER:
Okay.

DIRECTOR KENT:
But I think as far as us making an offer on property, we want to make sure that there's money available to follow through at our end. We don't want to be making offers for acquisition in 2007 when the money is not available.

LEG. KENNEDY:
Madam Chair --

CHAIRPERSON VILORIA-FISHER:
Okay, okay.

LEG. KENNEDY:
I'm going to leave one last thing and I'm not going to put it in the form of a question because it's not appropriate to have this conversation in this manner. I'll have it with the Commissioner afterwards.

But I have a parcel, a ten acre parcel in Nesconset, which the Commissioner knows well, we've worked mightily on since actually for the three years that I've been in office and we have finally got apparently some willingness on the part of the owners to even entertain the dialogue. I know that it's moving through the process and as a matter offer fact, Madam Chair, with any luck this may be before ETRB in June. I'm hoping that assuming that there's acceptance we'll have the ability then to close. That's my concern and my issue.

COMMISSIONER GALLAGHER:
That's your concern. And can I just make one response, Madam Chair? That just as you're aware it's a very long process, there are a lot of steps in the process of land acquisition and to be fair to the property owners we do have to -- we do try to be fair so whoever accepts first we try to go in order that way so we are trying not to necessarily, you know, take things out of order in accepted offers.

LEG. KENNEDY:
And I appreciate the frankness, Commissioner but again this is a question or a topic that perhaps, Madam Chair, we might want to visit because each of us has planning steps resolutions that are moving through the process and we each offer in earnest as we work with the respective owners in our districts. So we went to make sure that all have the opportunity to go ahead and continue on in good faith. Thank you, Madam Chair.

CHAIRPERSON VILORIA-FISHER:
Madam Chair --

COMMISSIONER GALLAGHER:
Commissioner.

CHAIRPERSON VILORIA-FISHER:
-- Madam Commissioner, I'm calling you Madam Chair because I'm listening to John. We had spoken earlier in your tenure that I would like to see reports of what our status is and I would like to have at least a broad view at our next Environment Committee.

COMMISSIONER GALLAGHER:
June 4th?

CHAIRPERSON VILORIA-FISHER:
June 4th --

COMMISSIONER GALLAGHER:
Sure.

CHAIRPERSON VILORIA-FISHER:
-- of our balances because we want to have a comfort level that we're not out there in negotiations and then find that we're up against a financial wall.

COMMISSIONER GALLAGHER:
Right.

CHAIRPERSON VILORIA-FISHER:
So if you can give me the status of our programs, what our balances are and what our -- what monies are already encumbered, how much is involved in negotiations right now because every time we have an Environment Committee meeting we have a number of planning steps before us.

COMMISSIONER GALLAGHER:
Right.

CHAIRPERSON VILORIA-FISHER:
And we have to be very circumspect and we want to know what our parameters are. And so if you could give us that thumbnail sketch of where we are and what our balances are. Legislator Romaine.

LEG. ROMAINE:
Yes. Is it a fair statement to say that our programs are oversubscribed at the current time?

COMMISSIONER GALLAGHER:
I don't think they're oversubscribed --

LEG. ROMAINE:
Okay.

COMMISSIONER GALLAGHER:
-- because we won't carry anything and that's what you'll see on the update.

LEG. ROMAINE:
Right.

COMMISSIONER GALLAGHER:
We don't -- we won't carry projects if we don't know -- we won't even put them listed as in negotiation unless we know that there's funds available.

LEG. ROMAINE:
Okay. That also begs the question then that many of the planning steps that the Legislature and the Environment Committee consider, many of whom going through a rating process, we get the map, we get the points, there's a willingness even ahead of time before even a letter is sent out that the property owners have said, we want to work with the County. Does that mean that once those planning steps are passed that we hold back on negotiations because we realized there's an absence of money at hand? Does that happen?

COMMISSIONER GALLAGHER:
I don't think that's happened yet, not to my knowledge.

LEG. ROMAINE:
Okay. Your predecessor produced a report that said if everything in negotiations and this was last year was acquired, that we'd have about a $39 million deficit in expenditures, if you recall that report. You may not but if you wish my office will provide you a copy of that because we expressed concern that some of the programs were oversubscribed, that at the time that planning steps are discussed never in those discussions does someone say, hey wait a second, we don't think there's enough money or we think that we have so many planning steps out there that we've got appraisals for and we're about to start negotiations and we don't think we better hold back. We never heard that and yet I am concerned that in fact that that maybe what could occur, has occurred, where we hold back on entering negotiations because there's a shortage of funds in various programs.

MR. ZWIRN:
If I might, Madam Chair. I'd just like to give just an example of what, you know, what's happened with some of the program and why we're using some offsets this year.

There's a piece of property that is in the Town of East Hampton where the County and town own the property adjacent to it. It's the Boys Harbor Property in particular.

LEG. ROMAINE:
I'm familiar with it.

MR. ZWIRN:
It was advertised in the newspapers at $12 million by a real estate broker out on the east end. And I know from conversations that they weren't going to take anything less than that because the owner of the brokerage company said he'd put up the money because they -- we had done planning steps on that property. So here they were asking $12 million and then two weeks, I think two or three weeks ago they come in and accept an offer of somewhere around seven to eight million dollars out of the blue.

Now part of it I think is the Real Estate market has really --

LEG. ROMAINE:
Right.

MR. ZWIRN:
-- taken a terrible fall and may be the case with Legislator Kennedy's property up in his area. People all of a sudden their options are now limited and they know the County is tight for money and people are all of a sudden coming back and negotiating in much better faith than they did originally. And I think that's part of the problem and that's not a bad problem to have. We had, you know, we took the money from the Tier II Shelter as an offset that's $17 million worth of funds there to buy a good deal of property.

So that I think has had more of an impact on what's going on and that's just recently that that's happened anecdotally and I think that's happening a lot more than we have ever seen before in this program, at least since this administration's been there.

LEG. ROMAINE:
Well, the marketplace will always affect it far more than any government program or funding can effect anything that's for sure. In fact, if anything what you said is that more than ever we may be seeing willing sellers that would oversubscribe programs because there are so many people now that figure this is the time the peak was reached and we better deal now or we'll be waiting a longtime because it's the development process is not amendable, that's a concern.

MR. ZWIRN:
Yeah.

COMMISSIONER GALLAGHER:
The --

LEG. KENNEDY:
Through the Chair.

CHAIRPERSON VILORIA-FISHER:
Legislator Kennedy.

LEG. KENNEDY:
Yeah, just one final, I guess, statement then to go ahead and add to what Legislator Romaine is suggesting or what we've both been talking about, we're in May --

COMMISSIONER GALLAGHER:
Yes.

LEG. KENNEDY:
-- there's nothing that indicates that this Real Estate market is going to, you know, return to it's robust white hot status that it was a couple of years ago. It's probably reasonable to anticipate that

we're going to continue to hopefully get favorable and realistic acceptance on the part of sellers going forward. So it's probably likely that we are going to need additional, you know, transfer of funding if we're going to continue to go ahead and engage in the acquisition process. If we have $17 million worth of property to buy and again particularly with this Boys Harbor what a win-win that we can realize, you know, a 33% reduction and ask and still bring it on the County rolls, that's outstanding.

MR. ZWIRN:
Uh-huh.

LEG. KENNEDY:
But it's also unreasonable to expect we're going to have to take a look at how do we work this budget going forward through the end of the year so we can continue to have these programs operational and not be caught in, you know, a situation where we really can't go through the process anymore the mechanics because we know that we don't have the balance there, you know, to fulfill our offers.

COMMISSIONER GALLAGHER:
Right and Legislator Kennedy, you'll be at the next EPA Committee meeting where we'll provide that update. And one thing I try to stress and it's always very important is when we show you that it is a snapshot, you know, as of that date because as you know and I'm sure as you're well aware with real estate there are many things that can happen throughout the process that delay it, someone may accept the offer one day and then decide no there not, or they're waiting on a subdivision decision by the town, therefore it's not going to close this year anyway.

So what happens is as of the date we show you that spreadsheet it's true but projects get moved in and out of accepted offer and in and out of negotiation based on those types of things happening. Therefore, you know, it's always in flux that to a certain extent.

LEG. KENNEDY:
And --

CHAIRPERSON VILORIA-FISHER:
And I had spoken with you earlier in the year regarding having the statements and balances because we were surprised at the end of last year if you recall with the need to transfer monies and add monies in order to do -- to complete negotiations on certain -- if you remember the AVR properties?

LEG. KENNEDY:
I do.

COMMISSIONER GALLAGHER:
In River --

CHAIRPERSON VILORIA-FISHER:
And so we don't want to have that kind of surprise so we want to have an ongoing finger on the pulse. I wanted to ask though before we went any further, the legislation that was recently introduced by Legislator Cooper, the extension of the quarter percent monies.

COMMISSIONER GALLAGHER:
Yes.

CHAIRPERSON VILORIA-FISHER:
When will that impact the budgetary issues?

COMMISSIONER GALLAGHER:
I believe that wouldn't impact until '08. I think that it's starting in, I guess it would take effect

December but by the time we would actually see the money hit it would be January of '08, yeah.

CHAIRPERSON VILORIA-FISHER:
Okay. But it would be impacted in -- it would impact in '08 so that's not that far off.

COMMISSIONER GALLAGHER:
It's not that far off and that's one of the things introducing planning steps now the process takes so long that --

LEG. KENNEDY:
Madam Chair, one last --

CHAIRPERSON VILORIA-FISHER:
I wanted to make sure that was in the mix because that's another flow of dollars coming in that we would be accessing.

COMMISSIONER GALLAGHER:
Yes.

CHAIRPERSON VILORIA-FISHER:
-- for our Land Acquisition Program. Legislator Kennedy.

LEG. KENNEDY:
Sure, thank you. And just one last final, I guess, thought or suggestion as between yourselves and BRO obviously every time you give us a -- an update or a snapshot or profile it's extremely beneficial for us, for all of us and especially those who have been involved in purchasing close and understand the funding concepts. But is that a live breathing spreadsheet or database that you folks maintain in-house as you close, as you fund, as you go forward with running balances?

COMMISSIONER GALLAGHER:
It's real time. It's literally different everyday, practically everyday.

LEG. KENNEDY:
And more importantly, is that something that BRO and you dialogue with on a regular basis concerning that balance?

COMMISSIONER KENT:
Well, I think the last snapshot they got was March 31st of '07.

MS. VIZZINI:
We get those reports quarterly.

CHAIRPERSON VILORIA-FISHER:
Okay.

LEG. KENNEDY:
Well, can I make a request then again I eagerly look forward to our June 4th report but based on the -- I don't want to say volatile, it's not volatile, it's known each time there's a disbursement and there's a transfer but 90 days may be a lifetime. Can we have some more frequent communication here with BRO? Just so that, you know, when we post --

CHAIRPERSON VILORIA-FISHER:
Well, that's up to us, John. You're saying can we as a Legislature have more communication with BRO?

LEG. KENNEDY:

No.

CHAIRPERSON VILORIA-FISHER:
You're asking the Commissioner to give reports to the BRO in less than quarterly?

LEG. KENNEDY:
Correct.

CHAIRPERSON VILORIA-FISHER:
I mean more than quarterly, more frequently than on a quarterly basis.

LEG. KENNEDY:
Yes.

MR. ZWIRN:
We don't spend money the County doesn't --

CHAIRPERSON VILORIA-FISHER:
Ben, you need a mike.

MR. ZWIRN:
You're aware of every dollar we -- that the County spends because you have to approve it. So when we spend money coming out of any program that amount comes before the Legislature before it's spent.

CHAIRPERSON VILORIA-FISHER:
But actually, Ben to be fair it comes before us, we approve it but we need to have a snapshot of what's coming in and what's going out because that kind of reconciling of what our status is is very important to us so that we know our position and I think that's what Legislator Kennedy is alluding to. Of course we vote on the expenditure money but everyone of us shouldn't have to keep a tally of what we're spending --

COMMISSIONER GALLAGHER:
Right.

CHAIRPERSON VILORIA-FISHER:
-- and what is left. So what we're asking for --

COMMISSIONER GALLAGHER:
Right.

CHAIRPERSON VILORIA-FISHER:
-- is an ongoing tally. Commissioner.

COMMISSIONER GALLAGHER:
Yes, and Madam Chair, Karen Slater who you see sitting to my right here, she actually does -- she's our Principal Account Clerk and she does interact frequently with Kevin Duffy, I mean, they're in constant, you know, dialogue over many different issues.

CHAIRPERSON VILORIA-FISHER:
Well, then perhaps it might be more if -- and let me know if this is reasonable if every month when we have our Environment and Land Acquisition Committee meeting if Ms. Slater, or through you Commissioner, if we have a report every time we have an Environment Committee meeting we have the balances.

LEG. KENNEDY:

And can I just --

MR. ZWIRN:
That's good.

CHAIRPERSON VILORIA-FISHER:
That's doable, Ms. Slater?

MS. SLATER:
Yes. I do them at the end of the month and usually wait for the month to end, close, balance and reconcile the accounts that are -- pertain to the 16 acquisition funds. And then all the information that Janet Longo, the supervisor, gives to me I revise, add and in negotiation, accepted offers, they move up the status report so that gives a better picture what's available at the end of a certain period of time.

CHAIRPERSON VILORIA-FISHER:
Okay. So --

MS. SLATER:
But I did just do it on a monthly basis.

CHAIRPERSON VILORIA-FISHER:
Thank you. So Madam Commissioner, if we could have that at each --

COMMISSIONER GALLAGHER:
EPA.

CHAIRPERSON VILORIA-FISHER:
-- Environment meeting. Thank you. I was going to say ETRB. Yes, Gail. I'll get back to you, Legislator Kennedy.

MS. VIZZINI:
Along those same lines on page 28 of our review, what we've recommended is giving the department more latitude or opportunity to recommend to you for the planning steps resolution which programs those monies should come out of. A very good case in point -- you know, they really have their hands on the pulse of what's left in what area. Case in point is with Greenways expiring, you know, they're on top of things like that. Perhaps if there can be a little bit more latitude or input when we do the planning steps resolution as to what program the parcel qualifies for.

CHAIRPERSON VILORIA-FISHER:
Gail, I thought that in our dialogue at the Environment Committee meetings with Tom Isles and Lauretta Fisher, they do talk to us about the program that it's in and whether or not it's the appropriate program for it to be in. So you're talking about expanding that conversation?

MS. VIZZINI:
We're talking about programs that have available funding, like 12(5)D and 12(5)B --

DIRECTOR KENT:
There's more to it than available funding, though. Those different programs have very specific criteria.

CHAIRPERSON VILORIA-FISHER:
Yes.

DIRECTOR KENT:

So as long as -- you know, we'd have no problem listing the various funding sources in the planning resolutions that would provide flexibility, but only to the extent that the subject parcel meets the criteria of the various programs.

CHAIRPERSON VILORIA-FISHER:
But I've just been under the impression when -- I'm looking at planning steps in my own district. I might have a conversation with Mr. Isles or someone else in Planning. They might recommend, you know, this is a good program and there's more money left in the other one so let's put it in. I just thought that was a conversation that sponsors generally had. But if you feel that we should add that to the conversation that we have at Environment Committee, I'm happy to do that. Okay. So that's your recommendation, to see where we have the most money and to ask for that financial input. That's what you are saying, Gail?

MS. VIZZINI:
I think it would give the department a little bit more flexibility and certainly, you know, it's based on the criteria for the program. I actually think we have a tendency, because multifaceted is so broad -- -

CHAIRPERSON VILORIA-FISHER:
Right.

MS. VIZZINI:
-- to use that when in fact there may be specific parcels that could fit the niche of --

CHAIRPERSON VILORIA-FISHER:
The 12(5)E or --

MS. VIZZINI:
Exactly.

DIRECTOR KENT:
If we find that we would definitely recommend it because we're trying to spend all the money.

CHAIRPERSON VILORIA-FISHER:
We'll ask you at the meetings where can we -- where do we have the deepest pockets. Legislator Kennedy has been very patient because I did interrupt him and I apologize for that. Go ahead.

LEG. KENNEDY:
No, Madam Chair. I think actually we got to the point where I appreciate the offer on the part of the department to now go ahead and share the data every 30 days. I mean, in essence that's what we would see in any kind of a particular office that's involved in purchasing land, selling land, buying land, making mortgages. You got a 30 day reconciliation. And with BRO's suggestion as far as the latitude and the dialogue on 30 day basis, I feel comfortable that we'll know well going forward with each cycle that we're commencing the process in good faith and we're going to be able to fulfill the process in good faith. I applaud the Commissioner's willingness to take on that suggestion. Thank you, Madam Chair.

CHAIRPERSON VILORIA-FISHER:
And, Commissioner, that will be part of our regular agenda of the Environment Committee. That will be, you know, just one of the items report on balance.

COMMISSIONER GALLAGHER:
Madam Chair, I would just like to -- just because it was brought up about 12(5)D and 12(5)E so everyone here understands because --

CHAIRPERSON VILORIA-FISHER:

They're town specific.

COMMISSIONER GALLAGHER:
Right. You understand they're town specific, but especially because they were created by a referenda you can't just move that money around.

CHAIRPERSON VILORIA-FISHER:
Right.

COMMISSIONER GALLAGHER:
You understand that, and that especially with the 12(5)D money, the projects, any projects or any properties that you might want to purchase with that funding has to be on a list that was created back in '87 by the original Environmental Trust Review Board and the town. You know, they jointly came up with some list that was created back in 1987. So any properties that aren't on that list do not qualify for that funding. That's one of the issues. So I guess one of the things that could be done is for the towns to add more projects to those lists and, you know, we could explore that possibility.

CHAIRPERSON VILORIA-FISHER:
They can add to those lists now. I thought the lists were static.

COMMISSIONER GALLAGHER:
Well, I think that we'd have to explore that as an option, could that, you know, would that be an option that we could look into.

CHAIRPERSON VILORIA-FISHER:
And this would just be additional information because we rely on Planning to give us the criteria and where they feel the best fit is, which program. This would be additional information as to where we would find the most funds. Legislator Horsley has been patiently waiting.

LEG. HORSLEY:
Gail, I think my question is to just. Just so I understand when we do get this report on the monthly meeting, when do you -- do you encumber the money -- when you encumber the money for a particular project do you take that out of the balance at that point? When is it actually taken out of the balance, at the closing? Just so I can understand what I'm reading.

MR. DUFFY:
Budget Review Office doesn't encumber money. What we discuss in our report that in a technical sense money cannot be encumbered until a contract has been drawn.

LEG. HORSLEY:
Okay, so it's when the contract is drawn, that's when --

MR. DUFFY:
Right.

LEG. HORSLEY:
You don't encumber it, but that's when it's encumbered.

MR. DUFFY:
What we were talking about in our report is that the status sheet that the Division of Real Estate prepares, there are certain categories that they list property under such as accepted offers, negotiation and in contract. What we said in our report is that at the point where you get in contract that's a place where money can be encumbered and it can go to the State Comptroller. We look at these other areas, the accepted offers and in negotiation, as the department giving us information as to where they stand on specific pieces.

LEG. HORSLEY:
So the reduction is done at that point?

MR. DUFFY:
As far as when someone comes and looks they say what's available, and from the status report that Real Estate prepares what is available is the opening balance, less in contract, less accepted offers, and less in negotiations. What Budget Review has done in the past, which we continue to do in our report, is that we've said that the in negotiations be considered the part of what is available.

LEG. HORSLEY:
So that balance figure is pretty loose.

LEG. KENNEDY:
More importantly, through the Chair, we've got some terminology, I think, that we need to go ahead and further refine here. Because in contract in essence means where we have signature on the part of the County and seller as well.

COMMISSIONER GALLAGHER:
Exactly.

LEG. KENNEDY:
That only happens after the resolution to appropriate has occurred, correct?

DIRECTOR KENT:
The acquiring resolution yes.

LEG. KENNEDY:
So, Kevin, if you are meaning where we have a signature on a contract by a buyer -- is that where you are saying money should be identified?

DIRECTOR KENT:
Can I just respond to that briefly?

LEG. KENNEDY:
Sure.

DIRECTOR KENT:
I think under our programs if we wait until we're in contract to encumber the funds that makes our programs fraught with peril because the whole idea here is that we want to have money available at the negotiation stage. So if we start negotiating deals and we have no money left because we haven't set it aside for that transaction, you're going to have that problem where you will be negotiating deals where money is not identified to be set aside for that transaction. So if you start negotiating and you don't have enough money to cover all the projects that you are negotiating, you are going to be hurting your programs I believe.

LEG. HORSLEY:
Okay. So you are going to err on the side of over --

CHAIRPERSON VILORIA-FISHER:
Conservative.

DIRECTOR KENT:
We want to have monies set aside during negotiations.

LEG. HORSLEY:
Over set aside.

COMMISSIONER GALLAGHER:
We would like to be physically conservative to make sure that the programs are not oversubscribed.

LEG. HORSLEY:
Yeah, I'm not arguing it. I just wanted to know what I'm reading, you know, how real is this number when you see this bottom line. Oh, don't worry about it, we got plenty here or not.

MR. DUFFY:
But you see our concern with that has been that until you are in contract there's not a legally binding agreement and neither buyer or seller are committed. We understand what Real Estate is saying and we understand their concern, but what our concern is that if something stays in negotiation or accepted offer too long, that's money that's being -- could be used somewhere else.

LEG. HORSLEY:
Absolutely.

MR. DUFFY:
The seller then has no motivation to move forward if all of a sudden your belief is that oh, the County is committed to me, haven't signed the contract yet. What's to prevent them from going and looking for a better deal? And if they find one at that point they can just walk away from the agreement with the County.

LEG. HORSLEY:
That's fine. I just wanted to understand. I'm sorry.

CHAIRPERSON VILORIA-FISHER:
We are supposed to be focusing on Capital Budget and these -- we've gone a little far afield but this will be a discussion that we will have at our June 4th meeting of the Environment Committee. Thank you very much for being here.

I did want ask Mr. Mallamo some questions about the Vanderbilt, so if you have any further items that --

COMMISSIONER GALLAGHER:
No.

CHAIRPERSON VILORIA-FISHER:
Thank you. Thank you very much for being here.

COMMISSIONER GALLAGHER:
Thank you.

CHAIRPERSON VILORIA-FISHER:
And thank you to the members of the committee for good questions, good conversation.

MR. GITTELMAN:
I trust when you say Mr. Mallamo you mean the Bobsy Twins.

CHAIRPERSON VILORIA-FISHER:
And Dr. Gittelman as well. Lance, the burning question here --

MR. MALLAMO:

Sure. Good morning.

CHAIRPERSON VILORIA-FISHER:
How are you?

MR. MALLAMO:
Just fine. How are you?

CHAIRPERSON VILORIA-FISHER:
Goto, right on the cover.

MR. MALLAMO:
I tell you, is that impressive? And I'm taking credit because I took the picture. I never realized it was going to end up there. Thank you so much.

CHAIRPERSON VILORIA-FISHER:
Now, that money has been there for quite a while.

MR. MALLAMO:
The money has been there for quite a while. Actually, this is the first year it's actually in the budget to be spent.

CHAIRPERSON VILORIA-FISHER:
Was it always in out years? Is that what you're saying?

MR. MALLAMO:
Well, when we first did the seaplane hangar and acquired Normandy Manor we amended the budget and used those funds --

CHAIRPERSON VILORIA-FISHER:
Used the Goto funds for the Normandy?

MR. MALLAMO:
Right.

CHAIRPERSON VILORIA-FISHER:
Because when we first put the money in the budget it was because the Goto is the centerpiece of your facility there.

MR. MALLAMO:
Right. It's the heart of the planetarium.

CHAIRPERSON VILORIA-FISHER:
And it is the heart of the planetarium.

MR. MALLAMO:
You don't have a planetarium without a projector.

CHAIRPERSON VILORIA-FISHER:
And so there was a sense of urgency to get that money in. So why did we raid that for other projects?

MR. MALLAMO:
Well, as far as I know, and maybe, Steve, you can talk to this better than I am. I'm at the museum since 1997. I think the Goto was in since 1992 so it me predated even my tenure at the museum.

MR. REINHEIMER:
{Inaudible}

MR. MALLAMO:
Right. So it had gone on for quite a while. We felt at the time that when the funds were there for that it was still functioning to an acceptable level.

CHAIRPERSON VILORIA-FISHER:
But I thought it was limping along at that time.

MR. MALLAMO:
Well, it's been limping along for ten years. We can no longer buy parts for that equipment. We have to make the parts ourselves.

CHAIRPERSON VILORIA-FISHER:
Right, okay.

MR. MALLAMO:
Which is a challenge, but we have an excellent technical staff at the museum.

CHAIRPERSON VILORIA-FISHER:
So, Lance, why would we raid those funds for other projects if it's the center -- if it's the heart of the organism there.

MR. MALLAMO:
At the time we felt that those projects were as or even more essential because it was an emergency situation with those. In the case of the hangar we had a major donor who was providing money, the building was rapidly deteriorating. It is on the National Register of Historic Places. We felt that either something had to be done -- that building had to be repaired or God forbid it had to be demolished and we didn't want to see that happen.

In the case of Normandy Manor we had a once in a lifetime opportunity to reunite part of the original Vanderbilt Estate with the original portion. We were not only concerned with that issue but we looked at that as by acquiring that property it was going to increase our revenue opportunities for elsewhere on the estate and it really would have destroyed the ambiance from the museum to see more McMansions across the street.

CHAIRPERSON VILORIA-FISHER:
So where do we stand now with Goto?

MR. MALLAMO:
Well, the Goto is still functioning right now, but it's a challenge.

MR. GITTELMAN:
This afternoon.

MR. MALLAMO:
This afternoon it is.

CHAIRPERSON VILORIA-FISHER:
How about at night?

MR. MALLAMO:
We have -- let me tell you where we stand with it right now. We had in the year 2000 we appropriated $100,000 for planning. As you know, the following two years we amended the budget

for those other emergency projects. We have not and will not spend the planning money because to have spent that money years ago and to now be buying the equipment, whatever we planned for would have been totally out of date. This equipment changes monthly literally. So we will not be spending that money. We've saved $100,000 in that regard.

The planning has been done in-house by Vanderbilt staff. I have sent major -- two primary staff members from the planetarium to both Japan, Germany. In two weeks they are going to be going to Salt Lake City for their final inspection. They have outlined me the equipment that is necessary. This has been reviewed by our Education and Exhibits Committee. After this one final trip -- this is our preliminary plan unless they see something that overwhelms in Salt Lake this will be it. And we are within budget and on target, so this resolution would be put in within weeks.

CHAIRPERSON VILORIA-FISHER:
Lance, can you tell me what the budget is? I'm turning to the page here, 428.

MR. MALLAMO:
It is a total project of 2.9 million. There is 1.5 million in for 2007. The County Executive has proposed moving 1.4 from 2009 to 2008, which we would support because it's difficult to buy equipment two years apart. So we're assuming that if we get this in by mid-summer at the latest we'll be --

CHAIRPERSON VILORIA-FISHER:
So we'll have a new Goto.

MR. MALLAMO:
We'll have a new Goto a year from now.

MR. GITTELMAN:
It may not be the same.

MR. MALLAMO:
It may not be a Goto. It may be a different manufacturer, so.

CHAIRPERSON VILORIA-FISHER:
But we're using it generically like Kleenex, you know?

MR. GITTELMAN:
Right.

MR. MALLAMO:
Yes. We will be starting with full dome video immersion system using Barco or what they call Zorro projectors which provides the video content in a show.

CHAIRPERSON VILORIA-FISHER:
They just makes z's.

MR. MALLAMO:
Well, it can do a lot more than z's. It give you the three dimensional and astronomical affects that actually move rather than just function in two dimensions across the screen. It can also do video of a star field so we will be able to function with -- once that is installed we will be able to keep functioning as a planetarium even without the Goto while the Goto is dismantled, removed. We will have to do some construction in the planetarium because our intent new is the new projector will go down into the floor so it's not visible during the times when we have other events in the planetarium. We have been limited on what we can do in this planetarium because we have this huge eleven foot elephant in the middle of the room. With the projector going down in the floor we'll be able to use it --

CHAIRPERSON VILORIA-FISHER:
And it's more compact also?

MR. MALLAMO:
It's absolutely more compact. It's a third the size.

CHAIRPERSON VILORIA-FISHER:
Uh-huh. And it can function within the shell that we currently have as our planetarium?

MR. MALLAMO:
We believe so, yes. We believe so.

CHAIRPERSON VILORIA-FISHER:
What if it doesn't?

MR. MALLAMO:
Well, we know it can function. You know, my staff is like what about -- don't we need a new dome screen? And I said no, we don't have money for a dome screen. So we may have to put a new finish on the dome screen, but the dome that we have is fine.

CHAIRPERSON VILORIA-FISHER:
Everything will have -- okay.

MR. MALLAMO:
No, the equipment will be fine. We're including special effects, sound equipment, new lighting, new computers.

CHAIRPERSON VILORIA-FISHER:
That's included in the three million?

MR. MALLAMO:
Everything is included in this cost estimate that I have.

CHAIRPERSON VILORIA-FISHER:
Okay.

MR. MALLAMO:
We'll be within the two million nine.

CHAIRPERSON VILORIA-FISHER:
Now I jumped right on this. Was there something you wanted to point out to the committee?

MR. GITTELMAN:
Yes. We noticed that the second half of the funding for the waterfront has been delayed and.

LEG. D'AMARO:
What's the project number on that?

MR. MALLAMO:
7427.

MR. GITTELMAN:
Right. I need to give you some of the history of this. William and Molly Rogers agreed to make a million dollar gift to the Vanderbilt museum in the year 2000. The Board of Trustees reviewed the concept of them making such a gift. They made a resolution to -- that covered it. One of the

conditions of the gift was that within three years -- at that point Bill was 80 years old, and within three years the waterfront would be completed. The resolution was then forwarded to this Legislature and the County Executive, both of whom welcomed it warmly and in such Bill started to make contributions. I believe he's contributed $300,000 of his million dollars.

By the way, he made another gift to New York -- I think it was New York Institute of Technology. He completed that million dollar gift so he does have credibility in terms of making large gifts. The problem is that he was 80 then, a young man, and he's 88 now. We are talking about postponing the funding for two years. Whereas two years to a 70 year old might not be that long, two years to an 88 year old could be an eternity.

I am pleading would you to move the funding back one year so that the two halves are together, so that there's no break in the halves for a variety of reasons. One is it's very hard to make a promise, break the promise, but okay if we keep it eight or nine years later we kept our promise. To not complete the promise will ruin the credibility of the museum in all of its fund-raising because this was something that the board, the Legislature and the County Executive all embraced.

CHAIRPERSON VILORIA-FISHER:
Steve, I have a question for you.

MR. GITTELMAN:
Yes.

CHAIRPERSON VILORIA-FISHER:
Because we certainly understand your position and you have spoken before the Parks Committee regarding this and our commitment to Mr. Rogers regarding his commitment.

MR. GITTELMAN:
Uh-huh.

CHAIRPERSON VILORIA-FISHER:
So that there was, you know, an understanding on both sides of the issue. But I'm looking at Budget Review's recommendation and they refer to a study that had to be completed and it looks like it's very serious.

MR. MALLAMO:
Yes. I can talk to that, Legislator Fisher.

CHAIRPERSON VILORIA-FISHER:
Yes, the hillside that's not stable and earth moving under the planetarium.

MR. MALLAMO:
Actually, maybe when we did the site inspection I wasn't clear. We have -- we believe there may be a problem. We're not sure there is a problem. But this would be in the southwest corner of the planetarium. It's in one corner of the building. It had been shored up a number of years ago by putting a 60 foot column underneath. They jackhammered the floor out, put this column in, and we still notice cracking in that area. Where this boardwalk would go is really no way near that area. It's on the -- would connect with the front portion of the Rose Garden, and you know where the Rose Garden in front of the planetarium --

CHAIRPERSON VILORIA-FISHER:
Yes.

MR. MALLAMO:
There's a staircase that goes down. That's actually at the top of the opposite side of the hill. We've never noticed any cracking of the railing in that area whatsoever.

CHAIRPERSON VILORIA-FISHER:
But, Lance, was there an understanding that there was going to be a study done before this project moved forward?

MR. GITTELMAN:
No.
MR. MALLAMO:
No. That study is in Capital Project 7410 was it, Gail, improvements to the planetarium? That was a whole different Capital Project, nothing to do with the waterfront.

MR. LIPP:
Thirty-seven.

MR. MALLAMO:
7437.

CHAIRPERSON VILORIA-FISHER:
Okay. Now, Budget Review, you did put it in as a recommendation in your review. What is your understanding of that particular study vis-a-vis the Molly and William Rogers waterfront project. Lance?

MR. REINHEIMER:
Can you repeat the question?

CHAIRPERSON VILORIA-FISHER:
Yes. In your review, in your recommendation you recommend that you agree with this project being put off because the study that should be done before the -- before we begin this project has not yet been done. Now, Lance is saying that that project has nothing to do with the Molly and William Rogers waterfront project and that the stability of the planetarium or the ground underneath the planetarium is in question on the other side of the planetarium and it doesn't impact on this project.

MR. REINHEIMER:
Yeah, that's correct. I've seen the planetarium. I'm familiar with the crack and the monitoring of it and where the Rose Garden is. It's part of the same hill. Whether this part of the hill is part that may be unstable, it's not sure. Part of our thinking, too, is that the seaplane hangar is still being renovated. That's still being done and the boathouse and the part of the project is to tie the boathouse with the planetarium in the hill. It's a whole development of that waterfront area.

Our thinking is to see how the exhibition hall is used, volume and people and transporting people down there and wait to see how that works while we're waiting to develop the hill and the interpretive centers that they're putting on this boardwalk down the hill.

So, you know, it doesn't impact the seaplane hangar and the development of that. It's just waiting to see. One is done and there's a lot going down in the waterfront and it's just kind of staging and putting projects one after the other rather than running concurrently.

CHAIRPERSON VILORIA-FISHER:
Okay. Do you see the seaplane hangar being something that should be complete before the boardwalk goes in? Is that what you're saying?

MR. REINHEIMER:
Yeah, it's part of because if they're transporting people down there or if people want to walk down there there's no sense in having that walk unless the seaplane hangar is up and running.

MR. MALLAMO:
Our concern is if we have the seaplane hangar up and running and no walk to get to it, that's a problem as well.

MR. REINHEIMER:
I guess it's different in perspective. It all depends on where you sit.

MR. MALLAMO:
I can confirm that geologically, and I am not a geologist, but I know in the area of the Rose Garden we replaced all the brick walkways two years ago.

CHAIRPERSON VILORIA-FISHER:
I saw that.

MR. MALLAMO:
And they're as tight as a drum. There is no movement of those bricks.

CHAIRPERSON VILORIA-FISHER:
You haven't seen any settling of bricks there.

MR. MALLAMO:
None whatsoever. I think the other concern that I have, and I don't know that this is a major concern at this time, but I know when the project was reviewed by CEQ certain conditions were attached to the approval of that, that the style of the railing was upgraded and the style of the gazebo.

CHAIRPERSON VILORIA-FISHER:
Are you talking about the sidewalk project?

MR. MALLAMO:
No, not the sidewalk, the waterfront, that the railing on the boardwalk had to match existing wrought iron railing that we had in another area of the estate. And that the gazebos, which we initially envisioned as two relatively simple wooden gazebos, would instead be resubmitted so that they matched another gazebo on the property. They wanted that design elevated a little bit and they wanted them out of wrought iron, not wood. So this may, in a moderate fashion, escalate the cost somewhat. That's the reason I think we need to keep these funds close to one another, if that cost goes up we're not going to have enough to cover it.

MR. GITTELMAN:
It would --

CHAIRPERSON VILORIA-FISHER:
That was the Historic Review Committee.

MR. MALLAMO:
That's right. I think you were at that meeting when they talked about that. And actually I have the CEQ determination here, we can pass it out of you'd like to see it, where they asked for an upgrade of the railing and the gazebos.

CHAIRPERSON VILORIA-FISHER:
Are there any members -- Legislator D'Amaro?

LEG. D'AMARO:
Thank you. So this project is under construction currently?

MR. MALLAMO:

It's actually in the final design stage for phase I and II.

LEG. D'AMARO:
It says in our report that 1.175 million has been appropriated with an uncommitted balance of just over a million dollars.

MR. MALLAMO:
Right.

LEG. D'AMARO:
So you have available to you right now for this project $1,064,000; is that accurate?

MR. MALLAMO:
Right.

LEG. D'AMARO:
Do you expect by the end of next year to spend that entire amount plus the additional 480?

MR. MALLAMO:
Yes.

LEG. D'AMARO:
You do.

MR. MALLAMO:
We do.

LEG. D'AMARO:
And that's because the project you said project was in the final design phase?

MR. MALLAMO:
It is in the final design phase, and once it's bid it's going to move along.

LEG. D'AMARO:
What would be the consequence if that funding was not available, the additional 480, until 2010 as recommended?

MR. MALLAMO:
Well, as we said, we're hoping that the seaplane hangar will be done by 2009. Now we will have a building that we'll have to drive people to because the roadway that goes there is too steep to get to that structure. I would be happy to have you come up and we'll take you on a walk to get down there.

LEG. D'AMARO:
Who's doing the construction?

MR. MALLAMO:
That would be put out to bid by DPW when the design is finished.

LEG. D'AMARO:
Okay. So that's not been determined yet.

MR. MALLAMO:
No. It has not gone out to bid yet.

MR. GITTELMAN:

The walkways, the waterfront without the seaplane hangar do function.

LEG. D'AMARO:
Okay.

MR. GITTELMAN:
And they will bring additional interest and they will give the public access to a waterfront that they have never had access to. It's a precious asset that the museum has essentially had to deny its visitors. It should help the museum financially in terms of our revenue stream. We need to build our revenue stream so there's a good business component for getting -- if we're going to do it, let's get it done.

LEG. D'AMARO:
So putting aside the hangar issue, you feel that this Capital Project stands on its own and is something that will be substantially completed by the end of 2008.

MR. GITTELMAN:
Unless someone else stops it.

LEG. D'AMARO:
I'm assuming that the funding is there.

MR. GITTELMAN:
Right. There's no reason why it wouldn't be.

MR. MALLAMO:
Right. And we have already started the design and the educational programs for this, and on a small scale already begun implementing them. We are -- we've actually had two schools come already for a new flora/fauna program that we have where we use the existing trails. We can only use very short portions of those because the terrain is just so unbelievably steep. It must be an 87 degree angle.

MR. GITTELMAN:
But there are 1.4 million people in Suffolk County who will have a reason to come to that museum because that waterfront is exceptional.

LEG. D'AMARO:
Okay. Thank you.

MR. MALLAMO:
Other than that, I think we support wholeheartedly the recommendations of BRO. I think this is very thorough. I have one question, if I may.

CHAIRPERSON VILORIA-FISHER:
Sure.

MR. MALLMO:
In Capital Project 7430 the recommendation supports the project but recommends that the roof component, which is about 650, be put in the pay-as-you-go with a general transfer to the Operating Budget. We provide our own revenue in the Operating Budget, so how would this work? I don't think we have done this before. Can anyone answer that?

MS. VIZZINI:
The good news is it's not your Operating Budget.

MR. MALLAMO:

That's what I want to verify.

MS. VIZZINI:
Correct, yeah. Once again, it's the pay-as-you-go issue. Roofing is particularly identified in the Charter Law, therefore, since we do pay for your capital improvement projects it would just be the method by which we pay it.

MR. MALLAMO:
Okay. I just wanted to confirm that.

CHAIRPERSON VILORIA-FISHER:
It's still our nickel.

MR. MALLAMO:
Thank you so much. Any other questions?

CHAIRPERSON VILORIA-FISHER:
Legislator D'Amaro has another question.

LEG. D'AMARO:
Gail, while you're on that topic, on the other project, what you call the Goto; is that right?

MR. MALLAMO:
Yes.

LEG. D'AMARO:
You also are recommending that be fully funded as pay-go; is that correct? Can you tell me how it fits into the parameters of the pay-go requirements?

MS. VIZZINI:
That is equipment and a firm reading of the law, anything that has a probable useful life of five years, which is typical for equipment, computerized equipment, or less would be 5-25-5, would be pay-go.

LEG. D'AMARO:
Yeah. The five year requirement, though, is that applicable to this type of equipment that we're talking in this Capital Project? The other one is 35 years old already.

MS. VIZZINI:
You hit the wall of finance law which identifies equipment purchases. Something like a helicopter is actually identified as something with a probable useful life of five years. Kind of like when you take a car loan. They are only going to give you a loan for five years. They have their laws, State finance law has its criteria as well, and it's based on that.

LEG. D'AMARO:
Do we know off-hand, roughly, if it stayed as bonded, B, I guess, what would be the debt service on top of the amount allocated for the acquisition itself?

MR. REINHEIMER:
Based on recent borrowings over a 20 year period, it would be 50 cents for every dollar that's borrowed. So $1.4 million would be $700,000 in financed costs over the 20 year period.

LEG. D'AMARO:
Thank you.

CHAIRPERSON VILORIA-FISHER:

Thank you very much, gentlemen.

MR. MALLAMO:
Thank you.

MR. GITTELMAN:
Thank you.

CHAIRPERSON VILORIA-FISHER:
Is there anyone else who wishes to address the committee regarding the Capital Budget? If not, I make a motion to adjourn the meeting. Seconded by Legislator D'Amaro. The meeting stands adjourned. Thank you very much.

(*The meeting was adjourned at 3:12 PM*)
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