

PARKS & RECREATION COMMITTEE

of the

SUFFOLK COUNTY LEGISLATURE

Minutes

A regular meeting of the 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 Wednesday, November 6, 2015 at 12:30 p.m.

Members Present:

Deputy Presiding Officer Jay Schneiderman - Chairman

Legislator Kara Hahn - Vice-Chair

Legislator Tom Cilmi

Legislator Bill Lindsay III

Legislator Kevin McCaffrey

Also in Attendance:

George Nolan - Counsel to the Legislature

Jason Hann - Aide to Deputy Presiding Officer Schneiderman

Michael Pitcher - Aide to Presiding Officer Gregory

Alyssa Turano - Aide to Legislator Hahn

Jason Richberg - Chief Deputy Clerk/Suffolk County Legislature

Laura Halloran - Budget Review Office

Greg Dawson - Commissioner/Suffolk County Department of Parks

Katie Horst - County Executive Assistant

All Other Interested Parties

Minutes Taken & Transcribed By:

Gabrielle Severs - Court Stenographer

(The meeting was called to order at 12:35 p.m.)

CHAIRMAN SCHNEIDERMAN:

Good afternoon. I'd like to call this meeting of the Parks and Recreation committee to order this 6th day of November 2015. Please rise and join us for the Pledge of Allegiance led by Legislator Hahn.

(Salutation)

Thank you. Please be seated. We begin with public portion. I have no cards filled out. Is there anyone who wishes to be heard by the committee? If so, please identify yourselves. All right. I'm not seeing anyone. We have no presentations scheduled for today, so we'll move right to the agenda. Thank you for joining us, Commissioner Dawson. We'll start with tabled resolutions. We have no tabled resolutions. Okay. So we'll go to new resolutions.

IR 1767, Improving wastewater treatment at County Parks (Krupski). I have a request from the sponsor to table.

LEG. HAHN:

I'll make a motion or second.

CHAIRMAN SCHNEIDERMAN:

Second by Legislator Hahn. All in favor of tabling? Opposed? Abstentions? So **tabled (VOTE: 5-0-0-0)**.

IR 1793, Amending the 2015 Capital Program and appropriating funds in connection with erosion mitigation at Indian Island County Park Bluff (CP 7192) (County Executive). I will make a motion to table.

LEG. HAHN:

Second.

CHAIRMAN SCHNEIDERMAN:

Second by Legislator Hahn.

LEG. CILMI:

On the motion.

CHAIRMAN SCHNEIDERMAN:

On the motion.

LEG. CILMI:

Commissioner, could you speak to this?

COMMISSIONER DAWSON:

Sure. We're looking to move money out of -- we're looking for \$100,000 in planning money for planning for the Indian Island Bluff out in Indian Island County Park. We have money in the 2017 capital budget to stabilize the bluff area, which is going to protect the roadway and the wall. We've had erosion there in the past. We've had ancient Indian -- it's an ancient Indian burial ground, so we've had bones and whatnot exposed, so we really need to sure up the shoreline over there. We have a temporary permit from the DEC to put sacrificial sand in there. Every year, we put in 1,000 yards of sand, but our permit expires this year, so we really need to get that project. We told them five years ago we were going to stabilize the bluff, so we need the planning money to move that

forward, so that's what this is.

LEG. CILMI:

Are there options beyond a wall?

COMMISSIONER DAWSON:

They need to stabilize the shoreline, so they're going to put it in, like, a revetment. They call it, like, "a living shoreline." They're going to put in some riprap. I think they're staying away from bulkheading.

LEG. CILMI:

So it sounds you pretty much have the plans in place. Why are we spending \$100,000 for the contract?

COMMISSIONER DAWSON:

No, we have the concept in place. We got to put -- we actually need the documents to go out for bid this so...

LEG. CILMI:

For the work or for the planning?

COMMISSIONER DAWSON:

Well, for the planning, to put bid documents to go out for construction in 2017.

LEG. CILMI:

So we're going to pay somebody \$100,000 to put some bid documents together.

LEG. CILMI:

I don't know if anybody from Public Works is here. There is. Commissioner Anderson to the rescue.

COMMISSIONER ANDERSON:

We'll see.

LEG. CILMI:

Or maybe not.

COMMISSIONER ANDERSON:

It's always a question. Yeah, the funds are to hire a consultant to put together the plans, I assume the permits as well, and put it out to bid. There would be a certain amount of engineering questions that would be answered during the bid process, so this is all for those services.

LEG. CILMI:

Are you and our budget review office working diligently on that analysis that the legislature passed a couple months ago with respect to the feasibility or the fiscal viability of doing this analysis?

COMMISSIONER ANDERSON:

We met with Budget Review. They are waiting for information for me. I have to get to it. I just haven't gotten any information. We are moving that forward.

LEG. CILMI:

Okay. And why can't we do this particular -- I mean, this seems like it's relatively simple. Why do we have to spend \$100,000 worth of contractor to do it?

COMMISSIONER ANDERSON:

There is a certain level of speciality in this. I mean, we have staff that could prepare the contract documents. Given the nature and the location of this project and being close to the innertidal zone, there are certain environmental things, considerations that have to be made. Those specialties, we don't necessarily have inhouse. Again, staffing, without any question, is an issue, and we've got a pretty big workload.

LEG. CILMI:

Okay. Thank you.

COMMISSIONER ANDERSON:

You're welcome.

CHAIRMAN SCHNEIDERMAN:

I don't know whether this is towards Commissioner Dawson or Gil. This is an area that doesn't see a lot of high velocity action, erosion action, at least to my understanding. It's within Peconic Bay.

COMMISSIONER DAWSON:

I beg to differ on that.

COMMISSIONER ANDERSON:

Absolutely.

COMMISSIONER DAWSON:

We lose 1,000 yards of sand over there every --

CHAIRMAN SCHNEIDERMAN:

You know, I mean, if you compare to, let's say, Montauk, where Legislator Krupski fought against building a structure to protect downtown Montauk, and there I could certainly see that if we didn't put something meaningful there, we were going lose downtown Montauk. I mean, here, I know the goal has been at the state level and at the town level to maintain a natural shoreline. It seems like you could do that here. There's all kinds of products out there that are considered soft solutions. And I'm not saying --

LEG. HAHN:

(Inaudible)

CHAIRMAN SCHNEIDERMAN:

No, it's not what he said. I'm not saying sandbags here, but riprap is not a soft solution. Riprap is rocks. Soft solutions, there's these coconut-type of husks that are used. There's all kinds of things that plants could grow in that could be habitat that could have the appearance or really be a natural shoreline. It seems like we're going in a direction that contravenes the state and the municipalities here by trying to build a hard structure.

LEG. HAHN:

The legislator from this district actually did not support this without a plan, did not think we needed to harden the shoreline here --

COMMISSIONER DAWSON:

Exactly, and we're looking --

LEG. HAHN:

-- so when we spoke previously, Jay, you weren't there, but Legislator Krupski did not --

CHAIRMAN SCHNEIDERMAN:

That's why I moved to table because the I know the legislator from the area who is not here is opposed to this.

COMMISSIONER DAWSON:

And I might have misspoke on the riprap. I think all the parties came together -- Parks, Department of Public Works, and DEC -- to do some kind of a living shoreline.

LEG. HAHN:

You said soft.

COMMISSIONER DAWSON:

Sand is soft.

COMMISSIONER ANDERSON:

And it's a stabilization of that -- you know, it's not necessarily just the shore. It's also that's slope that's adjacent to the shore.

CHAIRMAN SCHNEIDERMAN:

The language in the bill says "seawall." Seawalls are not soft so --

LEG. HAHN:

The title says "seawall."

CHAIRMAN SCHNEIDERMAN:

If that's not what you're doing, if you're doing a soft structure there, then I don't think Legislator Krupski will have any strong objections to the seawall. I think that's what he's looking for you to do, so what is going on here?

LEG. HAHN:

When is the amended deadline? Do we have someone from Counsel here?

MR. NOLAN:

Monday.

LEG. HAHN:

Can you correct the title and the --

MR. NOLAN:

Well, it's a county executive bill.

LEG. HAHN:

Well, I'm talking to the -- I was looking at the commissioner when I said that. Commissioner, can this bill be corrected to indicate that? Because I do agree with the chairman that the terminology "seawall" speaks to something completely different from what you were describing and what Legislator Krupski had said he thought would be more appropriate in this location, so if you could clarify that, I think we'd have a lot more confidence in passing this for you. Maybe we would discharge without recommendation. Can I move to discharge without recommendation?

CHAIRMAN SCHNEIDERMAN:

Well, apparently -- is there a report that you guys were working on that has not gone to the legislator yet that would detail exactly what your approach is?

COMMISSIONER ANDERSON:

Not to my knowledge.

COMMISSIONER DAWSON:

No, I don't think so. I think it was an internal discussion we had.

COMMISSIONER ANDERSON:

We may out at the site, and we detailed what options we were considering.

CHAIRMAN SCHNEIDERMAN:

Okay, and can you tell the committee exactly what the plan is?

COMMISSIONER ANDERSON:

Moving forward?

CHAIRMAN SCHNEIDERMAN:

Is it limited to soft solutions, or might we approve this and then end up seeing large boulders placed out there?

COMMISSIONER DAWSON:

No, I think the intent is to plan it so that it's going to be a soft solution; like I said, some sort of a living shoreline. I'm not well-versed in the details of the project.

COMMISSIONER ANDERSON:

Again, this would be planning funds. These are not construction funds. We would have to come back to you for the construction funds if you're not happy with the plans, we would --

LEG. HAHN:

Right, and I think, though, that we'd all feel better if you revised this resolution to indicate "soft shoreline solution," planning for soft shoreline solutions.

CHAIRMAN SCHNEIDERMAN:

Let me ask George, because, you know, we have the benefit of having counsel here. In terms of amending the bill to put in a resolve clause that would limit it to soft solutions, can that be done? Let's say we discharge it without recommendations, can that be amended before the legislature meets?

MR. NOLAN:

They have until Monday at 5:00 to amend the resolution, have it be eligible for a vote the following week.

CHAIRMAN SCHNEIDERMAN:

All right. Commissioner, you have no objections?

COMMISSIONER DAWSON:

I have no objections.

CHAIRMAN SCHNEIDERMAN:

Other commissioner, you have no objections?

COMMISSIONER ANDERSON:

Yeah, that's fine.

CHAIRMAN SCHNEIDERMAN:

Okay. Then I will withdraw my tabling, and I will change it to a notion to discharge without recommendation.

LEG. CILMI:

I just have a couple of additional questions.

CHAIRMAN SCHNEIDERMAN:

Okay. Legislator Cilmi.

LEG. CILMI:

Commissioner Dawson, so how long has this been an issue?

COMMISSIONER DAWSON:

It's been an issue for the four years that I have been here, so we -- our permit has been in place for five years with the DEC, so I'm sure it's going on longer than that.

LEG. CILMI:

Permit to do what?

COMMISSIONER DAWSON:

Permit to put the sacrificial sand on the point, which we've been doing for five years at least.

LEG. CILMI:

Okay. And you're unaware that there's been any engineering report done with regard to this problem?

COMMISSIONER DAWSON:

No. I think they are waiting on planning funding and actually to have money. We wanted to have money allocated in the budget to actually do the construction, which is set for 2017.

LEG. CILMI:

No, but -- okay. So you're saying they are waiting on doing any sort of engineering report until there's money allocated in the budget for the actual work.

COMMISSIONER ANDERSON:

That's an assumption on my part.

COMMISSIONER ANDERSON:

I really don't know. I'd have to look and get back to you on that.

LEG. CILMI:

So I see a hand raised. It's just hard to imagine that if this problem's been going on for a long time that we've never done any sort of engineering on this site.

MS. HALLORAN:

In our review of the capital program, we referenced a draft consultant report, so I don't know what stage it is but there was --

LEG. CILMI:

So there's a draft consultant report, apparently?

MS. HALLORAN:

There was something. I don't know how official it was, but there was something that was in progress, at least.

LEG. CILMI:

Well, that seems contradictory to what both commissioners just said.

COMMISSIONER DAWSON:

We can certainly --

COMMISSIONER ANDERSON:

Yeah. We can --

COMMISSIONER DAWSON:

-- after the meeting, we'll get back.

LEG. CILMI:

So why don't we table this, then? Because if there's a draft report of some sort that's referenced in if budget review report, then it seems like we've spent enough money on planning, and let's take some action.

COMMISSIONER ANDERSON:

Not necessarily, and the reason -- and I don't mean to -- pardon my interruption.

LEG. CILMI:

I've been interrupted by lesser people, Gil.

COMMISSIONER ANDERSON:

Once we begin discussion with the regulatory agencies, it's going to change a lot of how we move forward. I can't speak for the commissioner, but I don't have a real problem tabling this. We'll get you the information we have and give it to the whole committee.

CHAIRMAN SCHNEIDERMAN:

I'll switch back to a tabling, then.

COMMISSIONER DAWSON:

Our concern is --

CHAIRMAN SCHNEIDERMAN:

As long as you have the time, adequate time, because you do have to get this money, what, appropriated before the end of the year?

COMMISSIONER DAWSON:

Before the end of the year, correct.

CHAIRMAN SCHNEIDERMAN:

And we do have two other committee cycles, I believe. Okay. I'll change -- I'll go back to the tabling motion, Jason. And we have a second on the tabling. Any further discussion? Our presiding officer.

P.O. GREGORY:

I know we're looking to change the title. Is there, under any circumstances, a consideration of putting some hardening or a seawall or is it just all soft solutions, or are we not at that point? I'm trying to figure out where we are. There seems to be a plan, a draft plan, but there isn't really a plan, but we need these moneys to come up with a plan.

COMMISSIONER ANDERSON:

Right.

P.O. GREGORY:

What's your initial, kind of, thoughts on -- someone, I think Al, had mentioned -- Legislator Krupski has mentioned maybe sea grass.

COMMISSIONER ANDERSON:

Right. What our intent is to try to stabilize the shoreline and the slope that's adjacent to the shoreline so that when storms hit, it's at the northwest corner of Peconic, and when storms come up, they basically get active, and they wash the sand into the adjacent stream. So now we not only have to stabilize the shore, we also have to dredge the stream, and it's like a vicious cycle. So we've been considering different options. I can't really speak of what those options were. I know we met out there, and we've talked about, you know, plantings, not necessarily a seawall, and maybe that's the wrong term that our engineers used but something that would stabilize the area so that it minimizes any littoral drifts or whatever drift it is that's causing the sand to move.

P.O. GREGORY:

Now has sea grass been an effective method to address this situation in similar --

COMMISSIONER ANDERSON:

I assume to a certain extent, it is effective, but if you get a strong enough storm, you know, all bets are off. Again, what one person considers a hardened structure may be different than another person. The newer systems do look to include plantings, look as natural as they can. They are not the old concrete, stone sea walls. They're something different, but that's about as deep as I can go into it.

P.O. GREGORY:

Okay. Thank you.

CHAIRMAN SCHNEIDERMAN:

Gil, I know you're aware of the issues that the east end is facing with hardening the shoreline, how in many areas we've lost the beach because of the energy reflected off of those hard structures scours out the beach and then soon you're left with just the rocks or the bulkhead or whatever is there. So, you know, and we see when these structures go in that they seem to accelerate erosion in nearby properties which then also want the same relief of that hardened structure and you end up with this domino effect one by one where you have no beach, no public access, loss of habitat. It's a real problem. So the towns have, one by one, been adopting policies that discourage or outright prohibit hard structures. Some areas, they don't even allow the hard structures to be replaced when damaged.

So this has been -- you know, we've been learning as we go. The state, through its processes, seem to concur that, you know, we should not be putting hard structures in unless absolutely necessary, and it sounds like that's not what you're planning on doing here, but it would be nice if the bill clearly stated that that was not an option, that this could only be a soft solution, and we might have to define what that means. Even what's going on in Montauk right now, which is still controversial, the state defines that as a soft solution, the sandbags, the Geotubes, whereas a lot of

other people believe those Geotubes actually are hard structures.

COMMISSIONER ANDERSON:

The one's the Corp. is putting in is not Geotubes. They're actually --

CHAIRMAN SCHNEIDERMAN:

Sandbags.

COMMISSIONER ANDERSON:

Yeah.

CHAIRMAN SCHNEIDERMAN:

So maybe that kind of language could be built into this bill to -- because I -- it says there won't be a lot of opposition if there's a soft approach to protecting the indigenous burial grounds and things like that. I'm sure there's a way to do it, but I think that's what the committee is looking for.

COMMISSIONER ANDERSON:

I'll get you the information and where we are as far as with our decision-making process so far. Keep in mind that generally, as you speak, it's the downstream area that's usually impacted by the hardened structure. Fortunately, where this area ends, there's a stream and so you wouldn't -- we're trying to keep the sand from moving downstream from where it is right now. That's the intent of this is to keep it from scouring the slope side, scouring the beach, and then ending up into the stream. Beyond that, we'll get you all the detail we have to date, and you guys can make your decision at that point.

CHAIRMAN SCHNEIDERMAN:

Okay. The county's never developed a policy, like a local water fund revitalization plans. We don't have our own county policy when it comes to shorelines. Do we try to follow the town policies?

COMMISSIONER DAWSON:

I believe the DEC, no?

COMMISSIONER ANDERSON:

I don't know.

CHAIRMAN SCHNEIDERMAN:

This is Riverhead or south of Riverhead.

COMMISSIONER ANDERSON:

Riverhead.

CHAIRMAN SCHNEIDERMAN:

I'm not even sure Riverhead has a WRP, but they probably do have some policies on their books in terms of how they are managing their shoreline, so it might be worth getting some input, but I suspect Legislator Krupski has some awareness of that. Okay. So there is a motion to table and there's a second, I believe. All in favor? Opposed? Abstentions? **Tabled (VOTE: 5-0-0-0).**

IR 1794, Appropriating funds in connection with Reconstruction of Spillways in County Parks (CP 7099). I'll make a motion to approve. This is for \$75,000 for engineering.

LEG. HAHN:

Second with questions.

CHAIRMAN SCHNEIDERMAN:

Okay. On the motion, Legislator Hahn.

LEG. HAHN:

Do you have a list of the deficient spillways? And then can you just define "spillways" for me? I want to make sure I completely understand what we're talking about here.

COMMISSIONER ANDERSON:

Generally, spillways are areas where water goes -- basically, they're connected to a culvert. The culvert directs waters underneath roadways or through other areas. These spillways require maintenance. They're usually made of concrete. They're somewhat hardened to maintain the culvert in between the two of them. We have a significant number of them that we're looking to obviously repair. We know they're in need of repair. This program would allow us to bring an engineer in. The engineer works with a contractor that we already have procured. They go out to the site together. They start to investigate the spillway and open up cracks. Sometimes there'll be spawls, and they'll open to deeper spawls. They look while they're there at what really needs to be done; then the engineer takes that information back, develops a proposal or a work order, gives it to two contractors we have on call, and then we take the best prices from two contractors and do the actual repairs.

LEG. HAHN:

So we don't have a list of what spillways are going to be fixed yet?

COMMISSIONER ANDERSON:

Well, we do. We have ones we're looking to investigate. It's pretty large. I mean, it's two pages or three pages of, you know -- they're at Southaven Park, Blydenburgh, Sears-Bellows, R. Cushman, Coindre Hall, Montauk County Park, so there's a lot of them.

CHAIRMAN SCHNEIDERMAN:

Okay. So there's a motion to approve and a second. All in favor? Opposed? Abstentions?
Approved (VOTE: 5-0-0-0).

COMMISSIONER ANDERSON:

Thank you.

CHAIRMAN SCHNEIDERMAN:

IR 1800, Approving a License Agreement for Jeffrey King to reside at Cedar Point County Park, East Hampton (County Executive). I'll make a motion to approve. Seconded by Legislator Hahn. Commissioner, this is a park employee?

COMMISSIONER ANDERSON:

This is a park employee, yes. We went through the necessary steps in our housing program, as outlined through the legislature.

CHAIRMAN SCHNEIDERMAN:

And he's living there with his family? This is that cottage all the way in the back by the field pump.

COMMISSIONER DAWSON:

Yeah, it's in the back of Cedar Point, back over by the campgrounds. The former tenant -- actually, he was an employee as well. He moved out, so we have to put it back into the rental.

CHAIRMAN SCHNEIDERMAN:

Is it just one person? Is there like four bedrooms -- I'm surprised it's a four-bedroom.

COMMISSIONER DAWSON:

Yeah. I don't know what his family arrangements are, to be honest with you, but I know he's a county -- he's actually a Parks employee.

CHAIRMAN SCHNEIDERMAN:

Right, but he's going to be living there -- he can't bring in anybody else other than family.

COMMISSIONER DAWSON:

Other than family, right. The contracts spelled out what they can and cannot do, and family members, obviously, are approved but they can't sublet --

CHAIRMAN SCHNEIDERMAN:

That's fine. But because it's four bedrooms, I don't want to see the guy renting out the bedrooms.

COMMISSIONER DAWSON:

No, and we do periodic inspections.

CHAIRMAN SCHNEIDERMAN:

Okay. I have no problem if he has a family. That's fine. Any other questions?

LEG. HAHN:

That was determined to be fair market value for four bedrooms?

COMMISSIONER ANDERSON:

Yeah, it's --

CHAIRMAN SCHNEIDERMAN:

Well, it's got to be below market value. You can't rent anything in that area for 1500 a month.

COMMISSIONER DAWSON:

Well, no, it goes through our division of real estate. They go out and they do appraisals, and then there's a point system. A certain amount of money gets knocked off for certain thing. I'm not looking at the grading sheet, but, you know, if it's so far into the park, you know, but there's a committee that's put together that decides what the fee's going to be.

CHAIRMAN SCHNEIDERMAN:

And it's month to month?

COMMISSIONER DAWSON:

They're month-to-month leases, correct.

CHAIRMAN SCHNEIDERMAN:

Any other questions? Okay. All in favor? Opposed? Abstentions? **Approved (VOTE: 5-0-0-0).**

IR 1822, Adopting Local Law No. -2015, A Charter Law to increase oversight of park violation determinations (Hahn). This has to be tabled for a public hearing. Motion by the sponsor to table. I'll second. All in favor? Opposed? Abstentions? **Tabled for public hearing (VOTE: 5-0-0-0).**

IR 1823, Appointing Michael Rosato as a member of the Suffolk County Board of Trustees of Parks, Recreation and Conservation (Town of Smithtown) (Trotta). I'll make a motion to approve. Well, let's get a motion and a second.

LEG. CILMI:

I'll second if he's here.

CHAIRMAN SCHNEIDERMAN:

Is he here? Okay. He's here. Michael, if you'll come forward. Each town has someone whose designated -- George, is it designated through the town board?

MR. NOLAN:

I think typically the town supervisor sends a letter in with the town's designee.

COMMISSIONER DAWSON:

Yes, the town supervisor nominates in the town, and the legislature approves it.

CHAIRMAN SCHNEIDERMAN:

Okay. So, Mr. Rosato, you would be a new member of the trustees. Are you familiar with the trustees and their role?

MR. ROSATO:

Yes, I've spoken to Miles Borden, who I'm replacing, and he briefed me.

CHAIRMAN SCHNEIDERMAN:

So just tell us a little bit about yourself and why you're interested in serving as a trustee.

MR. ROSATO:

I've always had an affinity and a tremendous respect for the environment growing up as a child. I always realized how important it was to sustaining life and quality of life, and as I've grown older, I've realized how important it is to our economy as well. So as I grew older, I got involved in the civics and played a role in preserving open space in my hometown, Kings Park. I worked closely with Legislator Rob Trotta in stopping the sale of the Kings Park State Hospital to develops, and, as we all know, now it's a state park; and I've been involved in trying to clean up our industrial area, as Legislator Cilmi knows. And so it's something that I've been interested in for all of my life, and Rob presented me with this opportunity, and I thought I should take it.

CHAIRMAN SCHNEIDERMAN:

Anybody have any questions? All right. I want to thank you for your willingness to serve. There's a motion and a second to approve. I'll call the vote. All in favor? Opposed? Abstentions?

Approved (VOTE: 5-0-0-0) Congratulations.

MR. ROSATO:

Thank you very much.

CHAIRMAN SCHNEIDERMAN:

So the way the process works is after the committee goes to the full legislature, you don't need to appear in person at the full legislature. If there's any problems, we'll certainly let you know, but it's not anticipated. So congratulations in anticipating the full legislature will support you as well.

MR. ROSATO:

I appreciate that. Thank you.

COMMISSIONER DAWSON:

And if I might add, I just want to thank as well Mr. Rosato for serving and to acknowledge Miles Borden's 10 years in serving as a Parks trustee, and he did an outstanding job, and we wish him well in his requirement.

MR. ROSATO:

Big shoes to fill.

IR 1833, Authorizing a license agreement with Sagtikos Manor Historical Society for Sagtikos Manor County Park, West Bay Shore (County Executive). I'll make a motion to approve. Second by Legislator Hahn. Commissioner, do you want to --

COMMISSIONER DAWSON:

Yeah, this is a renewal of an agreement that we've had with the Sagtikos Historical Society since 2005. Their contract expired. It went to CEO. They think it's a good fit. They pass their own resolution that we should extend their contract. It's a 20-year agreement, very similar to all of our other historical societies where they take over the management and the maintenance of the buildings, the interiors and the grounds.

So it's a good fit. They've been an excellent partner. They've raised over \$250,000 in private grants over the last couple years to do a lot of projects around the place, and by having them there, it takes a lot of the maintenance responsibilities off of county parks, and it opens the facility up to the public, which is commendable.

CHAIRMAN SCHNEIDERMAN:

Okay. Any questions? All in favor? Opposed? Abstentions? **Approved (VOTE: 5-0-0-0).**

Okay. We have one procedural motion, **PM26, To retain PFM Asset Management LLC.** These would be our advisors at Vanderbilt Museum. I think they're currently serving as the advisors.

MR. NOLAN:

It's the same advisor. The new RFP was issued, and the RFP committee recommended retaining them.

CHAIRMAN SCHNEIDERMAN:

I'll make a motion to approve. Second by Legislator Hahn. Let's discuss this. Do we have somebody from the company, PFM, here? Why don't you step forward? And, Lance, do you want to come forward to?

The table is fine. I'm not sure there's going to be questions, but maybe I'll just start -- I think we're familiar with the company, though I don't think you were the rep we queried last time.

MR. HAMMOND:

We've never met before. I'm Marty Hammond. I work at PFM. I'm a senior managing consultant at PFM. I work with Mr. Favor (ph), who actually covers the museum trust.

CHAIRMAN SCHNEIDERMAN:

So tell me how the endowment has been doing under your stewardship.

MR. HAMMOND:

I think if you go back since inception, the endowment is doing quite well. I think since inception returns are up somewhere around seven percent, which is about 100 basis points or one percent over the index, if you look as of late, the markets have been a little topsy-turvy. If any of you have 401(k)s, if you looked at them in the past three or four months, I'm sorry, and if you didn't you're probably much better off and less stressed about where things are. I think third quarter, the portfolio was probably down three and a half percent. That was actually better than the benchmark. We've done some things in the portfolio over the past three or four months, really

seeing this downturn in the market coming, I think to de-risk the portfolio, so that's actually helped us out pretty good.

De-risking to us was taking off an equity overweight that we had in the portfolio for at least a year or two, probably a little bit longer than that, so this was a 50-50 portfolio, meaning 50 percent target towards equities, 50 percent target towards fixed income. We're actually managing it looking a little bit more like a 55-45: 55 percent equity, 45 percent fixed income. We're a little more aggressive over the past year. It's helped us out.

CHAIRMAN SCHNEIDERMAN:

We gave you that flexibility some time ago.

LEG. MARTINEZ:

Absolutely. You gave us a 5 percent -- I think a 5 to 10 percent flexibility.

CHAIRMAN SCHNEIDERMAN:

What's the size of the endowment at this point?

LEG. MARTINEZ:

Somewhere around \$11 million. I have the exact numbers in my briefcase, but I think it's a little over \$11 million. So in terms of moving that --

CHAIRMAN SCHNEIDERMAN:

Is there any money from the endowment moving back into the museum operations at this point; or no, it's all still being reinvested?

MR. HAMMOND:

I believe some of the funds are moved from the portfolio to an income account and those funds are used to pay bills to PFM, the investment advisor, and I'm not sure what else. Lance might have a little bit more on that than I do.

MR. REINHEIMER:

Last year, in 2014, no money was removed from the endowment. 2013, I believe maybe it was 100,000. We've moved out of the endowment this year somewhere in the neighborhood under 10,000, I believe -- excuse me, 19,000. The money that we're using from the endowment, we've met with the presiding officer, is being used exclusively for a capital project, Under the Stars Cafe. We're building a cafe in the planetarium. We've gone through the design phase. This is all being paid by the endowment, and we're in the process of getting building permits and permits from the health department to go forward with this. It's our vision to have this cafe up and running by next summer. There is no food service on museum grounds. That's always been a problem for visitors. That's always been a request by visitors. We're doing this in lockstep also with purchasing and sending out an RFP for our laser light show, our laser light equipment and licensed programs to expand our entertainment and education portion to generate larger and more diversified audiences and generate revenue. Our vision is that with the addition in the cafe, the expansion of entertainment and education programs will increase visitation. So the endowment has not been used for the past several years for operating funds. It's been used for this capital program going forward.

CHAIRMAN SCHNEIDERMAN:

So you said it was about, I'm sorry, 12 million, 11 million?

MR. HAMMOND:

I believe it's a little over 11 million.

CHAIRMAN SCHNEIDERMAN:

So if we rewind for a few years, it had dropped down. At kind of the height of the recession, what did it go down to, around 8 million or something in that range?

MR. REINHEIMER:

Yeah, it went down to about 8.6 million. It was at a high of just under 18 million back before 2001. This is before PFM took over, so it's had a roller coaster. It hovered around 12 million for several years, and then in 2008 with the crash of the markets, it went down to 8.6 million.

CHAIRMAN SCHNEIDERMAN:

So it's largely recovered not to its fullest height but to where it was hovering.

MR. REINHEIMER:

We're back at hovering; you're correct.

CHAIRMAN SCHNEIDERMAN:

Right, because I think once you pierce that corpus, you had to sell quite a bit below market.

MR. REINHEIMER:

Well, yeah, we really -- and George can answer that question -- we really are not authorized to spend or use the the corpus.

MR. NOLAN:

Right. We never pierced the corpus. We never dipped below that.

MR. REINHEIMER:

The corpus is 8.2 million. We got close in 2008, and under Presiding Officer Lindsay and George watched daily, we made sure we stayed legal as far as taking any funds out.

CHAIRMAN SCHNEIDERMAN:

Thank you for correcting the record. All right. Any other questions? So everybody is okay with moving forward with the same advisors? Okay. All in favor? Opposed? Abstentions?

Approved (VOTE: 5-0-0-0).

MR. HAMMOND:

Thank you.

CHAIRMAN SCHNEIDERMAN:

All right. That's all we have on the agenda. We are adjourned.

(The meeting was adjourned at 1:12 p.m.)