

PUBLIC WORKS
AND
TRANSPORTATION COMMITTEE
of the
SUFFOLK COUNTY LEGISLATURE

Operating Budget Meeting

The Operating Budget meeting of the Public Works and Public Transportation Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, Veterans Memorial Highway, Smithtown, New York, on Tuesday, October 23, 2007.

MEMBERS PRESENT:

Legislator Jay Schneiderman - Chairman
Legislator Jack Eddington
Legislator Rick Montano

ALSO IN ATTENDANCE:

Legislator John Kennedy - Legislative District No. 12
Legislator Cameron Alden - Legislative District No. 10
Ian Barry - Counsel to the Legislature
Lance Reinheimer - Budget Review Office
Rosalind Gazes - Budget Review Office
Bob Doering - Budget Review Office
Allen Kovesdy - Director of Management & Research, Co. Exec. Office
Bob Martinez - Legislative Aide to Legislator Montano
Greg Moran - Legislator Aide to Legislator Nowick
DuWayne Gregory - Legislative Aide to Legislator Mystal
Gilbert Anderson - Commissioner - DPW
Tom Laguardia - Chief Deputy Commissioner - DPW
Kathy Laguardia - DPW - Transportation
Bob Shinnick - DPW - Transportation
Read Vail - DPW - Finance
Laura Conway - DPW - Finance
Lou Calderone - DPW
Bill Hillman - Chief Engineer - DPW
Ben Wright - DPW
Craig Rhodes - DPW - Buildings
Debra Alloncius - AME
All Other Interested Parties

NOT PRESENT:

Legislator Steve Stern
Legislator Joseph Caracappa

MINUTES TAKEN BY:

Alison Mahoney - Court Stenographer

MINUTES TRANSCRIBED BY:

Kim Castiglione - Legislative Secretary

*(*The meeting was called to order at 9:45 A.M. *)*

CHAIRMAN SCHNEIDERMAN:

Good morning. I would call this Budget Meeting for the Public Works Committee to order. If you all will rise and join us for the Pledge of Allegiance.

Salutation

If you would remain standing for a moment. I know you have all heard about the Congressional Medal of Honor that was awarded to Michael Murphy from Patchogue, a 29 year old Navy SEAL who died in battle in Afghanistan. I would like to take a moment for us to pause, a moment of silence for Michael and for all of the children of our nation who have paid the ultimate price in defending our freedom.

Moment of Silence Observed

Thank you. Okay. This morning we're focused on the budget for the Public Works and Transportation Committee. I'm going to ask Lance from BRO to start with a brief overview of the budget and then we'll have time to ask questions or have people present their questions.

MR. REINHEIMER:

Thank you, Mr. Chairman. As you know, the Budget Review Office has issued the report on the 2008 Operating Budget. This budget assumes, and we agree, that Suffolk County will receive the 1% sales tax extension that is due to sunset November 30th. We agree with this approach. This magnitude of sales tax drives home the point how dependent this County is on the use of sales tax. The recommended budget includes over one billion dollars in sales tax that offsets more than half of the General Fund expenses, while the General Fund property tax is only 51.1 million.

The budget is constructed with the singular simple goal, a modest reduction in the General Fund of \$362,000. That's a .7% reduction in the General Fund. There's also a modest increase in the Police District property tax levy of 10.1 million, which is a 2.4% increase.

The budget continues to rely on its significant carryover fund balance of an estimated 122 million point eight fund balance at the end of 2007. The General Fund is also balanced upon 54.4 million in one-shot revenues, consisting of 16.8 million from a one time accounting adjustment for Social Services revenue, 16.1 million from the sale of the Suffolk County Health Plan, and a 25.1 million fund balance transfer from the Debt Stabilization Reserve Fund.

In addition to that, the Debt Stabilization Reserve Fund will be depleted by the end of this year as all 48.4 million will be transferred out during 2008. This will leave only the Tax Stabilization Reserve Fund as the only reserve fund that the County will have that will be approaching 130.8 million by the end of 2008 and it can be accessed with a 2.5% increase in the General Fund property tax.

This budget also reduces contract agency services by a net of 4.4 million. It abolishes 113 vacant positions, which includes 26 positions in Probation, 54 positions in Health Services, eight positions in Social Services, four positions in the Sheriff's Office, and numerous clerical support positions.

Last year the Legislature included funding for additional police officers in the 2007 Adopted Budget to bring that total to 75. According to the narrative in this 2008 recommended budget, the County Executive plans on hiring a class of 50 to start in December of 2007, and there are no police scheduled -- police classes scheduled in 2008.

Several expenditure lines were significantly underfunded. Energy costs for light, power and water are under budget by approximately four to five million dollars. Vehicle replacements, office

equipment, and there is no provision for pay-as-you-go funding in this budget. Turnover savings in many departments has been increased to a point where many departments will not have sufficient appropriations to fill new or vacant positions.

This Operating Budget does little to position the County for 2009. The problems that are not solved this year will compound and carry over. Insufficient appropriations to pay certain expenses, no surplus funds to replenish reserves, borrowing is trending up, property tax revenue is experiencing a shortfall, delinquencies are up. Most importantly, the economy is losing momentum, sales tax is trending down and history has shown that as the economy trends down, there is more dependency upon government services. The Legislature and the County Executive were wise to establish a Tax Stabilization Reserve Fund for the purpose of mitigating any decreases in the economy that may impact sales tax and other revenues.

The County should position itself to generate sufficient reoccurring revenue to meet the demand for services. We should be able to pay our vendors in a timely manner, respond to the public when a police officer is needed, clean our roadways after a snowstorm, process permits for construction and sanitation timely, provide other required services to the citizens of Suffolk County. The Budget Review Office recognizes the pressure to hold the line on taxes. None of us want to see increases in taxes, but we remind you that the County tax is comprised of only 12.5% of the average property tax and the General Fund is responsible for 1.3% of the property tax.

The County's higher mission is to provide for health, safety and welfare of our citizens. Taxes are a source of many complaints on Long Island, yet they are also the source of reoccurring revenue that provide for the education of our children, safety of our families, our roadways and protection of our environment and safety net for necessary services.

We're here to answer any of your questions. I know a lot of this doesn't pertain specifically to Public Works, but I think it's important to have an overview of the budget to see how it interconnects.

CHAIRMAN SCHNEIDERMAN:

Let's stop here for a moment so we can do some general questions and then maybe you can do a little brief overview of the DPW budget. If you are not prepared to do that, don't worry about that. Let me start with Legislator Montano.

LEG. MONTANO:

Good morning, Lance. Just going back to the class of police officers. We said -- you said that we had funded a class of 75.

MR. REINHEIMER:

That's correct. We --

LEG. MONTANO:

My recollection was that we had put in a class of 35 in March.

MR. REINHEIMER:

In March and a class of 40 in September.

LEG. MONTANO:

Oh, it was 35 and 40.

MR. REINHEIMER:

Correct.

LEG. MONTANO:

Now, when you say we funded the class, how exactly was that funding itemized? In other words,

was it kept in a general personnel category and we were anticipating that there would be retirees, etcetera, or did we segregate and designate specific money for that 75 class in the 2007 budget.

MR. REINHEIMER:

It's a good question. We added \$2 million to the Police District Fund 115. Within the \$2 million, 1.4 million was for salaries, \$60,000 was for holiday pay. We put in money for clothing, uniform allowance and benefits to bring it up to \$2 million.

LEG. MONTANO:

And that \$2 million was specifically identified and earmarked for the 75 new cadets?

MR. REINHEIMER:

That was for the 25 additional that the Legislature put in. The County Executive's recommended 2007 budget included a class of 50.

LEG. MONTANO:

All right. So we added two million. We basically line itemed; is that a right word?

MR. REINHEIMER:

That's correct.

LEG. MONTANO:

We line itemed \$2 million for this additional 25 cadets.

MR. REINHEIMER:

Correct.

LEG. MONTANO:

All right. And that money has not obviously been spent to date. Where did that \$2 million go? Did that money go back into the fund balance?

MR. REINHEIMER:

That's correct, specifically on the permanent salary lines. The adopted budget had \$236 million for permanent salaries and it's estimated on the County Executive's budget to come in at 230 million. So there's a \$6 million surplus in Fund 115, in permanent salaries alone. Looking at the fund in total the Police District will end 2007 with an estimated \$7 million fund balance.

LEG. MONTANO:

Okay. And that \$6 million that is left in the fund balance, not including the other million, that amount would have been sufficient to cover the 75, the class of 75 police officers in the year 2007, would it not have?

MR. REINHEIMER:

Correct.

LEG. MONTANO:

Okay. Thank you.

CHAIRMAN SCHNEIDERMAN:

I would like to ask a couple of general questions. You know, I was thinking about that recent bridge collapse in Minneapolis and infrastructure and, you know, how important it is to maintain infrastructure. And also thinking about the comments you just made, Lance, in terms of the budget and 50 plus million dollars in one-shots, sales tax that's not growing and an economy that seems relatively stagnant and maybe more people demanding assistance from the government. It's a fairly bleak picture. You know, I think if we didn't have those one-shots, those \$50 million in one-shots, and we have got about \$50 million we collect in property taxes, we would either have to just gauge

this budget or we would have to double property taxes, which is a frightening thought.

MR. REINHEIMER:

Well, you have the option of Tax Stabilization Reserve Fund which is for the purpose of downturns in the economy.

CHAIRMAN SCHNEIDERMAN:

Okay. So we have about a \$100 million in Tax Stabilization Funds.

MR. REINHEIMER:

A hundred and thirty.

CHAIRMAN SCHNEIDERMAN:

So \$130 million. So at that rate we would blow through that in about two years.

MR. REINHEIMER:

Well, you try to do a multi-prong approach so that you don't rely entirely on that, but assuming you were to use it all it would -- yeah, two years.

CHAIRMAN SCHNEIDERMAN:

Two years. So nobody wants to raise taxes, not just for political reasons, but we understand that the people of our County are struggling with the high cost of living in the area with other taxes, with utilities, with all the things that are forcing people to move out of this area. So we don't want to raise taxes. What can we do to -- we don't want to cut programs either, so it's a difficult position. What can we do to get the economy going? Do you have any ideas in terms of how we can bring money into Suffolk County or keep money from leaving Suffolk County, grow our economy? Is there anything we can do that would change this picture so we are not in the situation of either raising taxes or cutting important programs?

MR. REINHEIMER:

Yeah, that's a difficult question. I think it's a regional, national problem and Suffolk County is, you know, part of the New York Metropolitan area. So as they go, you know, we go. As New York City goes, you know, as you know a lot of money comes out to the east end from New York City and tourism and, you know, we're directly impacted by the financial markets.

CHAIRMAN SCHNEIDERMAN:

Are we growing? We're not growing much, 1%.

MR. REINHEIMER:

Sales tax is growing about 2.25%.

CHAIRMAN SCHNEIDERMAN:

How does that compare with Nassau, with New York City, with the Tri-State area?

MR. REINHEIMER:

In general, you know, from what we hear about Nassau County, I think we're doing better than other regions. I think part of it is the uniqueness of Suffolk County and our economy, especially tourism.

CHAIRMAN SCHNEIDERMAN:

Tourism, I mean, I follow tourism fairly closely and the east end, I think, had a pretty good year this year. But overall the -- the revenue that we took in from hotel taxes was significantly lower than the year before. So overall we're not seeing as much money spent on that industry as we had. I think the -- I don't know the exact percentage drop, but it was a significant percentage drop. So, you know, it's one more thing to look at. Yes, tourism is a good way to bring money from outside of Suffolk County into the County, but there must be other things that we can do as well. Maybe we

should all put our collective thinking caps together and come up with some ideas. I know there's been some thoughts about racetracks, about sports arenas and things like that. I know it takes a long time to construct these facilities, but I don't know another way right now.

MR. REINHEIMER:

Yeah. I think a lot of it depends on economic development I think is a good approach, what the County is doing looking into affordable housing, trying to hold on to our workforce, try to protect our young from leaving this area. I think those are important issues that, you know, would in the long run help the economy. Getting them started in doing that and going against the tide in housing to try to develop affordable housing is a difficult approach. It's more evolution, you know, you have to work towards it and try to couple that with economic development.

CHAIRMAN SCHNEIDERMAN:

There are a couple of ideas that have been floated and they both pertain to the Department of Public Works in terms of economic stimulus. One is kind of a high tech industrial park at Gabreski Airport, the other is in Yaphank right around the DPW facilities where there's several hundred acres that have been RFP'd for recreation and housing. Maybe during -- after you're done, Lance, maybe either Ben Zwirn from the County Executive's Office or maybe Commissioner Anderson can update us as to where we are with those projects and when we might see actually some groundbreaking. Any other questions for Lance? Jack.

LEG. EDDINGTON:

We mentioned about the Police District. My understanding then is that there is enough money there to put the 25 police officers back in. Is that correct?

MR. REINHEIMER:

You mean to start them in December?

LEG. EDDINGTON:

Yeah. It says -- my understanding is that it would cost \$2 million to put the extra 25 in, and you are saying that we have \$7 million in the Police District fund balance, so.

MR. REINHEIMER:

Right, but that fund balance is closing into 2009 -- I mean 2008. That fund balance is used to reduce taxes in the Police District in 2008. So that fund balance has been captured and is being applied into 2008. So to put the additional police officers in December we would have to make adjustments to the 2008 budget to cover their salaries. So that money disappears. The fund balance that's estimated at the end of 2007 is used and applied to the taxes in 2008.

LEG. EDDINGTON:

Is there any money in the budget for like promotions to Sergeant, Lieutenant and, you know, Superior Officers, Detectives?

MR. REINHEIMER:

Well, in a normal course of a year you have approximately 100 retirements. Generally the Police Department, as Superior Officers and Detectives retire they promote from within, so that's a normal occurrence and that's covered in most budgets or every budget.

LEG. EDDINGTON:

Okay. Thank you.

CHAIRMAN SCHNEIDERMAN:

Legislator Montano.

LEG. MONTANO:

Lance, I just want to be clear because a little while ago we said that we were going to have \$6 million left over in the Police Budget. Now, you are saying now that that money is captured for purposes of what we designated as the fund balance for next year.

MR. REINHEIMER:

That's the estimated fund balance at the end of 2007.

LEG. MONTANO:

Right. And that's an estimated amount. I mean, that number is going to change.

MR. REINHEIMER:

That's correct. Well, it will end up being an actual number. We have looked at it and, you know, in the Police District like the rest of the County, 95% of your expenses are personnel. We have looked at the County Executive's personnel estimates for 2007 across every org, every department, every fund, and we are in agreement with the County Executive's estimates. So his estimates are reasonable and as accurate as we can predict at this point in time.

LEG. MONTANO:

Let me ask you this. Approximately how much does it cost to have a police class for a year? In other words, one cadet, what's the cost on that? Hundred thousand?

MR. REINHEIMER:

Well, a cadet, you know, starts at around 30,000, then they're promoted after six months.

LEG. MONTANO:

Thirty-thousand with fringe.

MR. REINHEIMER:

It's about \$55,000 in salary if you were to start the cadet January first and carry them through the year. They're promoted after six months when they graduate from the academy.

LEG. MONTANO:

Now, in this case we're going to start a class December 26th; am I correct?

MR. REINHEIMER:

I think that's the date, right around the end of -- the last week of December.

LEG. MONTANO:

Of this year.

MR. REINHEIMER:

This year.

LEG. MONTANO:

So we are only carrying the class that we had appropriated for March and September. We're only carrying the class for five days?

MR. REINHEIMER:

Correct.

LEG. MONTANO:

So if we took the class of 50 we'd have a certain dollar amount which is really minuscule, because they're only going to be on the payroll for a week.

MR. REINHEIMER:

That's correct. That's all figured in --

LEG. MONTANO:

And if we added 25 to that, that would be, you know, a little minuscule plus a little, you know, half a minuscule; am I correct?

MR. REINHEIMER:

You are correct with that, but you'd have to make adjustments to --

LEG. MONTANO:

In the 2008. In other words, we would have to appropriate a class of 75 in 2008 to -- because the cost in 2007 is really minuscule. So if we wanted to do the class of 75, we really have to look towards the 2008 budget.

MR. REINHEIMER:

That's correct.

LEG. MONTANO:

And, you know, I'm sure that there's no doubt that we have enough money in this budget, in 2007, to accommodate 25 more officers.

MR. REINHEIMER:

Yeah, we'd have to look into that. I would say for, you know, the five days, you know, there's probably.

LEG. MONTANO:

What are we talking about, you know, \$25,000, a thousand a day or something?

CHAIRMAN SCHNEIDERMAN:

It's not this year, it's next year.

LEG. MONTANO:

No, no. We need -- he's saying that the fund -- correct me if I'm wrong. Just so I'm clear on this. The fund balance has already been earmarked so he's saying that there's no money, that we're not sure if anything is left in 2007 for the additional 25, but the dollar amount is minuscule. So we would have to make a minor adjustment -- did I say five? In 2007 and then appropriate in 2008 if we wanted to have a class of 75 next year.

CHAIRMAN SCHNEIDERMAN:

It's a 2008. That's the question. Where do you come up with the money in 2008 to pay the guys.

LEG. MONTANO:

Well, that's what we're doing now. We haven't gotten to that point yet, but that's where, you know, I just want to make clear that's what we're doing if we're going to do that.

MR. REINHEIMER:

It's a policy decision how many police officers you hire.

LEG. MONTANO:

Right. Okay. Thank you.

CHAIRMAN SCHNEIDERMAN:

Legislator Kennedy.

LEG. KENNEDY:

Thank you, Mr. Chair. Lance, just that last line that you talked about again as far as a policy decision as far as how many police officers that we hire. What did we do with the class size for this

budget that we're in right now, 2007.

MR. REINHEIMER:

Okay. The 2007 adopted budget as amended by the Legislature provided for a class of 75, 35 police officers in March and 40 police officers starting in September of '07.

LEG. KENNEDY:

So at this time last year we adopted a policy that said that we would have 75 officers start; correct?

MR. REINHEIMER:

That was the Legislature's intent, yes.

LEG. KENNEDY:

Okay. All right. I just -- I wondered if somehow somewhere along the line in the last 12 or 13 months we made a different decision or kind of, you know, just forgot about it or something along those lines. I didn't think that happened.

CHAIRMAN SCHNEIDERMAN:

Thank you, Legislator Kennedy. All right. We have the Chair --

LEG. KENNEDY:

One other question, though, Mr. Chair. I got one other question.

CHAIRMAN SCHNEIDERMAN:

John, John. Let me interrupt for a second. We do have the Chair of Public Safety here. This is not the hearing on Public Safety. There are a lot of people from DPW here. I want to make sure we have full time to make sure that we talk fully about the DPW budget. If you want to come back to public safety at the end I'll be happy to do that. All right. That's why I started my comments about infrastructure, crumbling infrastructure, with the hope that we focus on Public Works related issues.

MR. ZWIRN:

If I might interject at just one point.

CHAIRMAN SCHNEIDERMAN:

Yes.

MR. ZWIRN:

I don't want to get into public safety now, but I would be glad to do that. But one of the reasons why we haven't gotten the class is the County Executive is still the Chief Budget Officer of this County and we're still -- today is the day that we'll find out if we get our sales tax money. It's the same time that the debate on driver's licenses and immigration is going to be before the Legislature because there are bills in both houses that will be debated in the Senate and the Assembly.

LEG. MONTANO:

What does driver's licenses have to do with the class of 25 officers?

MR. ZWIRN:

It has to do with sales tax revenue that is going to pay for them. And if you don't get a sales tax extension, there will be a \$20 million shortfall this year in '07.

LEG. MONTANTO:

That I understand.

MR. ZWIRN:

That's your answer.

LEG. MONTANO:

I understand, but I'm not clear on what driver's licenses have to do with that.

MR. ZWIRN:

You don't have a sales tax extension, we don't have the money to pay for the class this year and perhaps next year. That's the impact.

CHAIRMAN SCHNEIDERMAN:

The entire budget model is predicated on that sales tax extension going though. Is there a reason to believe it may not?

MR. ZWIRN:

Well, if you read the newspapers today it's a very volatile situation. We're hoping that it will go through, but we're not sure one hundred percent sure.

CHAIRMAN SCHNEIDERMAN:

Has anybody counted votes, do we know?

MR. ZWIRN:

We don't know.

LEG. MONTANO:

It's iffy now.

LEG. EDDINGTON:

Mr. Chairman. I could add something.

CHAIRMAN SCHNEIDERMAN:

Legislator Eddington, whose wife is up there, I believe, right now.

LEG. EDDINGTON:

Yes, and 20 minutes ago it was not looking good because there's -- what I'm hearing is that they're trying -- to answer Legislator Montano's thing, they are trying to throw the driver's license issue and attach it to the --

MR. ZWIRN:

Sales tax bill.

LEG. EDDINGTON:

To the sales tax and another group is trying to add something else to the amendment. So there are two different types of groups --

LEG. MONTANO:

The only issue --

LEG. EDDINGTON:

Can I just finish?

LEG. MONTANO:

Go ahead. Finish.

LEG. EDDINGTON:

Thank you. So that we have two groups trying to hold Suffolk County hostage at this time and it's obviously inappropriate. But I think we have to do wait to see what happens today.

LEG. MONTANO:

If I may. The only issue having to do with the class once, if and when the sales tax extension is approved, is whether or not we want to do it because the money was allocated. My point is that this decision was made back in -- back in November of last year for the class of 75. Now you have held back the class but you have also submitted a budget that's predicated on the receipt of the \$300 million and even predicating the receipt of the \$300 million in the budget, you'd still refuse to do a class of 75. So they are not -- it's not linked to the passage of the tax because that's included in your budget model.

MR. ZWIRN:

Absolutely not. It is linked. Absolutely is linked. Even though it's in there --

LEG. MONTANO:

How is it linked?

MR. ZWIRN:

The whole budget is predicated on us getting -- but we're being very -- we've had a hiring freeze on. Now, if we expected that money to come in --

LEG. MONTANO:

Right. But Ben --

CHAIRMAN SCHNEIDERMAN:

Wait. I can't just have everybody yell at each other.

MR. MONTANO:

No, we're not yelling. We're just making a point.

CHAIRMAN SCHNEIDERMAN:

Let Mr. Zwirn finish his response.

LEG. MONTANO:

Go ahead. Finish your point.

MR. ZWIRN:

This will have an impact on '08. If you start bringing people on board, once they're hired you are not going to lay them off, you are going to pay them next year. If we don't have that sales tax money, then you're looking at -- you are looking at Armageddon with respect to additional personnel. That's why the County Executive is -- even though all these positions in Social Services, in all these different departments had been budgeted, he has held back on signing SCINS and hiring in anticipation of not knowing exactly what could happen. Now, we were assured, we were assured, that we would get the sales tax revenue. You were assured that we were going to get it. And yet here we are today on D day and not sure if that's going to happen. Then you will have a lot of work to do.

LEG. MONTANO:

You are dancing, Ben. The issue --

MR. ZWIRN:

I'm not dancing, it's a fact.

LEG. MONTANO:

Yes, you are.

MR. ZWIRN:

It is a fact. It is an absolute fact.

LEG. MONTANO:

Let me finish. I let you finish, let me finish.

CHAIRMAN SCHNEIDERMAN:

Decorum. We have a stenographer here who is trying to follow this conversation. So if Mr. Zwirn is finished with his remarks --

LEG. MONTANO:

Are you finished, Ben?

CHAIRMAN SCHNEIDERMAN:

Then I will go to you, but we need some decorum here. We can't have just interruptions. Mr. Zwirn? Okay. Legislator Montano.

LEG. MONTANO:

Ben, my point is that the budget that's submitted for 2008 is predicated on receiving \$300 million because of a sales tax extension. Irrespective of how we get there, if this bill is approved today we will have those revenues. That has nothing -- once the revenues are there, the class of 75, there's no reason to hold back the class of 75 cadets is my point. It has nothing to do with any issue other than the fact that we appropriated the 75. You delayed the class, but you also submitted a budget saying we think we are going to get 300 million but we're still going to not hold the class, we're just going to cut it back. Those two things, I think, should not be linked together. That's the point that I'm making, Ben.

MR. ZWIRN:

I understand. But I think, if I might respond, is the County Executive is being conservative. He's not going to put police officers on. Even though they're budgeted, he is not going to hire them until he absolutely knows that the money is coming forward.

LEG. MONTANO:

And we will know that by the time the class comes into effect.

MR. ZWIRN:

Well, we may or may not know.

LEG. MONTANO:

We will know it later today, as a matter of fact.

MR. ZWIRN:

Hopefully we will.

CHAIRMAN SCHNEIDERMAN:

We have to move forward with DPW issues. We also have to move forward with the assumption that we are getting that money. If it turns out that we're not getting the money we are obviously going to have to have some emergency budget meetings and we're going to have to deal with the situation.

*(*Legislator Alden entered the meeting at 10:13 AM*)*

Welcome, Legislator Alden. Lance, is there anything you want to say in particular as an overview to your recommendations in terms of DPW's budget?

MR. REINHEIMER:

In our review we do make several recommendations for Public Works covering a gamut of things from DPW regular General Fund appropriations to the sewers. I think it might be better to get a

response from Public Works at this point in time.

CHAIRMAN SCHNEIDERMAN:

Okay, that's fine. Commissioner Anderson, if you would come forward.

MR. REINHEIMER:

Just as a reminder, the two issues that we do have with the Public Works budget is the funding for energy and for vehicles. Both of those areas are underfunded. Vehicles are underfunded in '08 by I think about a million.

CHAIRMAN SCHNEIDERMAN:

I thought you were decreasing the funding for vehicles.

MR. REINHEIMER:

That's in '07, but in '08 there's a shortage for vehicles. And then for energy there is about a four or \$5 million shortfall in energy.

CHAIRMAN SCHNEIDERMAN:

Great.

MR. ZWIRN:

If I can speak to that?

CHAIRMAN SCHNEIDERMAN:

I will take Mr. Zwirn from the County Executive's Office, just on that one issue about energy budgeting.

MR. ZWIRN:

I have a letter here that was sent to some of the -- to the Presiding Officer back in September which deals with those particular issues and it deals with the LIPA settlement money that's coming forward, and how the Budget Office wanted to handle this by not putting the potential settlement money in the budget. I can either read the letter into the record or I can make copies for the board. It deals with those --

CHAIRMAN SCHNEIDERMAN:

I actually would like to hear it if that's okay with the board. I think that's important.

MR. ZWIRN:

Okay. It's to the Presiding Officer. "And this will confirm our discussions of Friday, September 7th, regarding the anticipated \$18 million settlement of the Suffolk/Shoreham surcharge rate case. One.", and this is from Steve Levy. "My 2008 recommended Operating Budget does not include any discussion or funding for the settlement nor reflect the anticipated revenues from the settlement.

Two. The Legislature will meet to amend the 2008 recommended budget to include the settlement proceeds. I would suggest the Legislature consider using the format which the Budget Office was planning to include in the settlement. Specifically the Budget Office created a new fund to account for the settlement and was going to show it as follows. Fund 126, Energy Efficiency Fund. Revenues of \$18 million were going to be included in the revenue code 2689, settlement recoveries. The fund was going to be included in the Department of Environment and Energy budget.

Three. The 2008 recommended Operating Budget does not include 2.68 million for the purchase of hybrid vehicles in 16-5130-2030. We were anticipating that 73 vehicles will be funded through Fund 126.

Four. The 2008 recommended Operating Budget does not include \$150,000 for the LIPA Green Choice Program in code 001-1494-4021. We were anticipating that this program will be funded

through Fund 126.

Five. The 2008 recommended Operating Budget does not include the DPW building repair account, code 001-1494-3650, which has been reduced by \$200,000 for energy related repairs and improvements. These expenditures likewise will need to be funded by the Legislature in Fund 126.

And finally, six. The 2008 recommended Operating Budget has reduced the light, power and water, code 001-1494-4020 by \$2.2 million for energy related to electric consumption at the H. Lee Dennison Tower, the William Rogers Legislative Building, and the John J. Foley Nursing Home, to reflect the fact that the Legislature has required that these buildings be powered with 100% renewable energy and these expenditures likewise will need to be funded by the Legislature in Fund 126. And the County Executive's Budget Office will be pleased to work with the Legislative Budget Review Office to repair budget modification to reflect these changes. Sincerely, County Executive Steve Levy".

LEG. ALDEN:

Mr. Chairman?

CHAIRMAN SCHNEIDERMAN:

Boy, that's opening up a big Pandora's box here. I don't know how much time we're going to spend on this issue. I think the letter is going to come to many of us as a bit of a shock, electrical shock. Where do we want to start? Cameron?

LEG. ALDEN:

It's kind of interesting that, you know, number one, a settlement with LIPA is speculative at best. So, number two, if we do receive a settlement, that's another one-shot to add to the other one-shots that are in the budget and that, the last time I looked, and through all my experience in private industry and also in government, that's not the way to build a budget. And number two -- or number three, actually, there's a whole bunch of places there that end up with holes in the budget if and when it's not choosed -- or when chosen to plug those gaps with that speculative settlement.

So I'm really questioning budget -- the Budget Office in putting together a budget that would leave -- and that's more than I thought it was. I just thought it was the energy. The cars? You know, okay, maybe that even fits into the whole flavor of why we sued LIPA and what we might want to settlement with them for and that should do energy efficient things. But you just mentioned something that's over \$2 million and it's an ongoing reoccurring expense that, you know, we're required to pay. You can't not have the lights on in these buildings. These are government buildings.

So, Ben, is anybody here from the Budget Office? Why would they use something so speculative and create such a hole and even if you are using it and it comes forward, it's still a one-shot. If I'm adding correctly, there's three, four, \$5 million there, or maybe even more.

MR. ZWIRN:

It's about \$5 million.

LEG. ALDEN:

Five million dollars. That's huge in such a speculative nature, even as a one -- even if we had the settlement right now. Five million in one-shots added to the 40 to \$50 million other one-shots in the budget. Maybe budget -- somebody from the Budget Office could come up and assure us that all those one-shots are okay, because I think in one of the narratives of the proposed budget that they said that, you know, we're going to be all right. Even though we're using \$50 million worth of one-shots in '08, we're okay in '09. I just find this -- this is incredible.

MR. ZWIRN:

Well, you have -- if you go to tax stabilization, as Budget Review Office suggests, that's a one-shot.

I mean, and probably the ultimate one-shot because that one, once you start depleting that fund, as Legislator Schneiderman mentioned before, I mean, you are really at -- that's the bottom. It is a tough budget. '09, we'll deal with '09 as soon as we start to get into '08, immediately. You know, the County Executive has been very prudent --

LEG. ALDEN:

But, Ben, you can't set '09 up with a 50 or \$60 million hole in revenues and expect '08 to take care of itself. That's not a good way to go forward in budgeting, especially not in government.

MR. ZWIRN:

That's why the County Executive is very prudent with respect to hiring and when we talk about --

LEG. ALDEN:

Congratulations. I congratulate him on that. He's been cheap on all those. He's kept the cost down. He squeezed a lot of things but --

MR. ZWIRN:

Cheap is a word, but frugal, I think, would be a better word.

LEG. ALDEN:

All right, frugal if you want to use a different type of word.

CHAIRMAN SCHNEIDERMAN:

Miserly I think is what he prefers.

MR. ZWIRN:

Miserly. He would probably approve of miserly.

LEG. ALDEN:

This is terrible budgeting.

MR. ZWIRN:

Well, you have the budget in your hands. You want -- the options are very, very slim. Either you take the money that's available, that we believe will be available to pay for these things, or you go to the taxpayer's pockets right now and you say we're going to have to take it out of your pockets because the only guaranteed recurring revenue you're going to have is real property taxes.

CHAIRMAN SCHNEIDERMAN:

Well, this is taxpayer money. This is ratepayer money. We might not even get the 18 million. It's still a matter of negotiation.

MR. ZWIRN:

Well, this is not using the entire --

CHAIRMAN SCHNEIDERMAN:

I know. You are taking four and a half or something million dollars out of that.

LEG. ALDEN:

Five he said.

CHAIRMAN SCHNEIDERMAN:

Five million dollars out of this potential settlement to plug holes, whatever it is, and to pay for these expenses --

MR. ZWIRN:

I wouldn't call them holes. They're expenses that the County has that has to be --

CHAIRMAN SCHNEIDERMAN:

We'd have them ordinarily. Whether we have this money or not we have those holes. It's not new projects, it is not new energy conservation things. These are already approved projects. That's a decision ultimately I believe the Legislature will make if we get the money as to how we spend it and how we invest it. I was not aware until just now that that hole was -- the County Executive was planning to plug that with this LIPA settlement money. Legislator Montano?

LEG. MONTANO:

Yeah. I'm not going to go into --

CHAIRMAN SCHNEIDERMAN:

You might have to unplug it.

LEG. MONTANO:

Just so I'm clear, and I didn't get the first part of the letter and I don't have a copy of it. But this, we're going to plug the hole on the energy with your budget -- your budget submission is predicated on the fact that you anticipate a settlement.

MR. ZWIRN:

Yes.

LEG. MONTANO:

And that we're going to use that money. And what if this -- I've been a lawyer 32 years. I never spend my settlement money until I have it in the bank and the check clears.

MR. ZWIRN:

You were spending your sales tax money before you had it five minutes ago.

LEG. MONTANO:

No, that's different. That's different, Ben. I don't want to -- I'll revisit that if you'd like to.

MR. ZWIRN:

I'm only kidding.

LEG. MONTANO:

But, you know, this model is something that's not even on the table this year. At least we anticipate the 300 million -- we anticipate the resolution of that before we pass the budget. Can you say the same thing for this settlement? Are we going to have this settlement, you know, is there going to be ink to the paper on this settlement before November 7th?

MR. ZWIRN:

I believe we're confident that will happen.

LEG. MONTANO:

Okay. If you believe that then, you know, it's something that we can consider.

CHAIRMAN SCHNEIDERMAN:

Legislator Kennedy, and I do want to move on because this is discussion that's going to --

LEG. KENNEDY:

As do I, Mr. Chair, but I think when you are looking at something that actually looks like it's structurally unsound or structurally flawed. I just need to ask Legislative Counsel a question or two. When did this lawsuit with LIPA commence?

MR. NOLAN:

I think six or seven years ago.

LEG. KENNEDY:

Six or seven years ago. And who are the plaintiffs to this litigation?

MR. NOLAN:

The County Legislature.

LEG. KENNEDY:

The Suffolk County Legislature. I see, okay. And have we recently been briefed in executive session on where things are going here? None of which I choose to discuss in this forum.

MR. NOLAN:

The LIPA settlement has been a topic of discussion, yes.

LEG. KENNEDY:

Okay. So it seems that much of what's posed here is wildly speculative at best, as the Executive is not even a plaintiff. How do you base four to \$5 million based on something where you are not even a direct party? I don't understand it.

MR. ZWIRN:

Well, Suffolk County is a direct party, and the money that would come in would come in through --

LEG. KENNEDY:

Then you know what? Then Legislative Counsel must be lying to me. Who are the plaintiffs to the suit?

MR. NOLAN:

The County Legislature brought this County. Ultimately any settlement has to be approved by this Legislature.

LEG. KENNEDY:

Okay, thank you.

CHAIRMAN SCHNEIDERMAN:

All right. Let's move on. So I guess I'll move toward Commissioner Anderson. I see you are joined by Tom LaGuardia and Lou Calderone from your department. If you will comment on any of the recommendations that BRO has made in terms of changes to your budget?

COMMISSIONER ANDERSON:

Good morning. Yeah, after review, albeit somewhat cursory, of the BRO Report, as usual it is thorough and concise in their findings and they really took great efforts to prepare it. For the most part the -- their issues raised in each of the divisions was specific to increasing vacancies.

Prior to the whole issue with the New York State Assembly and Senate and the sales tax coming to a head we were in the process of filling vacancies. What I would say at this point is once this issue is hopefully behind us we would like to continue that. I don't want to hire or create new positions just for the sake of new positions. The budget does include five new positions, three of them for dredge, two of them for other areas. We are glad about that. It is a tight budget, no one is going to argue that one. But we feel that, you know, it is fair and, you know, and the needs -- looking at the needs of the overall County, you know, we feel that the County Executive has done his best to basically balance everything.

CHAIRMAN SCHNEIDERMAN:

You mentioned dredge. I want to jump in there for a second because I'm sure you know I have been relatively critical of the dredging program of late in the delays and the anticipated extension of

those delays as the window that the Federal Government has given us to complete our dredging has shrunk. Now we have to complete to stay on target the same amount of work in a shorter period of time with no additional staff or funding. You referred to more people for a second dredge.

COMMISSIONER ANDERSON:

Yes.

CHAIRMAN SCHNEIDERMAN:

But we haven't purchased a second dredge. So first explain --

COMMISSIONER ANDERSON:

We're in the process right now of converting what was a booster pump into a second dredge. We've submitted resolutions --

CHAIRMAN SCHNEIDERMAN:

Explain how that works to me because I remember when we fought for that booster pump the idea was that we would be able to move the dredge spoils.

COMMISSIONER ANDERSON:

Further down. It basically allows you to --

CHAIRMAN SCHNEIDERMAN:

Yeah. We would do water hopefully on the down drift beaches. That we'd be able to get to better locations for dewatering. Now -- and I can't remember but I want to say it was about a half million dollars or something, that booster pump.

COMMISSIONER ANDERSON:

Right.

CHAIRMAN SCHNEIDERMAN:

Maybe it was less. Now it's going to be used for a different purpose or is it going to be used for both purposes? What does this conversion entail?

COMMISSIONER ANDERSON:

It does allow us to use it for both purposes. What it does is it gives us a second dredge in addition to -- if we need to use it as a booster pump it can be fitted so that we use it as a booster pump. Then we can do as you said, we can move the material further down the beach as we need to. If --

CHAIRMAN SCHNEIDERMAN:

Does it -- do we need a platform or some kind of -- some boat to --

COMMISSIONER ANDERSON:

There is a cutterhead. There's a couple of other parts that are added to the --

CHAIRMAN SCHNEIDERMAN:

And we have those pieces?

COMMISSIONER ANDERSON:

No. We've -- for \$50,000, is really what it amounted to. We added the necessary equipment to make that booster pump into a second dredge.

CHAIRMAN SCHNEIDERMAN:

Is it going to be as efficient as a dredge? I mean, what part of the technology am I not understanding here. What kind of head does it have on it? Is it similar to a dredge head or?

COMMISSIONER ANDERSON:

Yeah. I think, and Bill, correct me if I'm wrong. I believe they're adding another cutterhead to the pump. There's a few other items that while we were in the shop building the booster pump we had the advantage for a minimal cost of adding these items to the booster pump to make it essentially into a dredge.

CHAIRMAN SCHNEIDERMAN:

Bill, if you would.

MR. HILLMAN:

If I could just expand a little bit. The booster pump is a dredge without the cutterhead and arm to suck the material up.

CHAIRMAN SCHNEIDERMAN:

Okay.

MR. HILLMAN:

So it was a barge with an engine on it and a pump and it just didn't have the arm to go down and suck the material in.

CHAIRMAN SCHNEIDERMAN:

Okay. So that's what we're adding to it, is the arm.

MR. HILLMAN:

Correct. The arm and the cutterhead as the Commissioner said.

CHAIRMAN SCHNEIDERMAN:

And we can connect it to the other dredge and use it as an extension to pump.

MR. HILLMAN:

Correct. There's very few locations that we will need, actually need a booster pump, but when you do need it, you need it and we will be able to take that and move it in, put the arm up and use it as a booster.

CHAIRMAN SCHNEIDERMAN:

So now we'll have two dredges and two dredge crews and we have the permits in place to do the dredging? We'll be able to start to catch up on some of this stuff?

COMMISSIONER ANDERSON:

By the end of next year we will have the second dredge in place. The personnel that are within the budget that have been added to our personnel will be manning that and by that point we will -- we feel confident that we'll be -- now that we've been coming to a resolution with the Army Corp and the various agencies we'll have more permits in place towards the end of next year.

CHAIRMAN SCHNEIDERMAN:

I think you had those positions in the budget starting -- I think they were half funded, assuming they were starting in the middle of the year.

COMMISSIONER ANDERSON:

Right. There is going to be --

CHAIRMAN SCHNEIDERMAN:

But we have been internally kicking around starting them a little bit later because of the dredge window.

COMMISSIONER ANDERSON:

There's also a little bit of training that's needed. You know, that's the intent of bringing them on a little bit early, so that they can be trained on what's needed.

CHAIRMAN SCHNEIDERMAN:

When does that window open?

COMMISSIONER ANDERSON:

Generally right now it's October. October 1st seems to be the --

CHAIRMAN SCHNEIDERMAN:

Till March?

COMMISSIONER ANDERSON:

Depending on the waters. No, actually from January to March depending on where you are. If you are in the Peconic I believe it is January 15th is actually the closing of the window. But if you are up --

CHAIRMAN SCHNEIDERMAN:

So just October to mid-January? Boy, that's not a lot.

COMMISSIONER ANDERSON:

Well, I mean there are, like again, the Nissequogue I think went to May 15th -- sorry, March 15th.

CHAIRMAN SCHNEIDERMAN:

So it depends on the environmental conditions.

COMMISSIONER ANDERSON:

Yes.

CHAIRMAN SCHNEIDERMAN:

So the answer is with this new dredge, really not so much in '08 but in '09 we're going to start to catch up?

COMMISSIONER ANDERSON:

Yes.

CHAIRMAN SCHNEIDERMAN:

We think? All right.

COMMISSIONER ANDERSON:

Yeah. We feel confident now that we've gone through the issues of the permitting with the various agencies that are involved. We are making headway, we are getting reports filed and we are getting them approved. You know, next year, that gives us the whole year where we can keep --

CHAIRMAN SCHNEIDERMAN:

Do you have somebody now in-house to handle some of those environmental forms, the U.S. Fish and Wildlife assessments? Are we contracting that out?

COMMISSIONER ANDERSON:

Currently right now the biological assessments are being contracted out.

CHAIRMAN SCHNEIDERMAN:

Is that your plan into the future or do you -- you don't have a single environment planner, do you, in DPW?

COMMISSIONER ANDERSON:

No, actually that was one of the positions we were in discussions with prior to the State putting the kibosh on everything.

CHAIRMAN SCHNEIDERMAN:

But it's not in the budget, is it?

COMMISSIONER ANDERSON:

Actually, what we were looking to do was to, and I believe it's still there, we were looking to share a biologist with Vector, between both agencies. But in the immediate, you know, for the immediate we do have a contract or a consultant.

CHAIRMAN SCHNEIDERMAN:

Okay. All right. Is there anything else you wanted to say about BRO's recommendations? Most of them are about staffing.

COMMISSIONER ANDERSON:

No, the only other one I think we'd take a little issue with is the reduction in the snow removal costs. While it is in keeping with previous years to a certain extent I wouldn't want to be in a position where all of a sudden, you know, with my luck, you know, the toughest winter around hits and we don't have the money.

CHAIRMAN SCHNEIDERMAN:

If the toughest winter hits I'm sure it will be a Federal emergency and there will be emergency funds available to reimburse the County. We can always short-term borrow if something catastrophic happens. I think the budget ought to reflect, you know, what will be anticipated. If there's a catastrophic situation there are ways to deal with that. Nobody wants to see you not have the ability to clear the roads. We will make sure that you have that ability.

COMMISSIONER ANDERSON:

Understood.

CHAIRMAN SCHNEIDERMAN:

Legislator Montano.

LEG. MONTANO:

Commissioner, I have to apologize. I didn't hear the first part of your comments. I was actually being rude, but I apologize for that.

COMMISSIONER ANDERSON:

No, it's all right.

LEG. MONTANO:

No, seriously, on the issue of the positions that were put in the budget, I think there were a couple of positions for dredging.

COMMISSIONER ANDERSON:

There were three positions for dredging and then there were two other positions that were added as well.

LEG. MONTANO:

And what were your comments on that in the beginning in terms of -- if I stand corrected, I think one of them was put in for beginning in June?

COMMISSIONER ANDERSON:

Well, the three positions are for the -- basically halfway through the year so that they will have a

few months of training and help with the equipment preparation. Then once the season opens they can go into full swing and start dredging.

LEG. MONTANO:

Right. So there is a process. My question, my simple question is that there is a process prior to them commencing their work where they do have to be trained. So if it were somehow, if your selection were delayed, does that basically affect the project?

COMMISSIONER ANDERSON:

It certainly could.

LEG. MONTANO:

Okay. Thank you.

CHAIRMAN SCHNEIDERMAN:

That's something the working group will have to look at.

LEG. MONTANO:

Right. We've been talking about that. That's why.

CHAIRMAN SCHNEIDERMAN:

We have been looking at starting them a couple of months later because of the dredging window, but you are saying they need to be trained. It's not a lot of money, so it is something we'll have to revisit.

LEG. MONTANO:

Right, it's really minor, miniscule. Thank you.

CHAIRMAN SCHNEIDERMAN:

Legislator Alden.

LEG. ALDEN:

Hi, Commissioner. Do you have vacant positions for engineers in the budget or that currently exist right now?

COMMISSIONER ANDERSON:

I believe so.

LEG. ALDEN:

Do you have any idea how many?

COMMISSIONER ANDERSON:

Within which division? We do have a fair amount, you know, a number.

LEG. ALDEN:

I think we're looking at overall, like the overall DPW budget. And then the other question that goes along with that is, is the ideal situation to have in-house engineers or is it the ideal situation to farm that out and have outside contractors perform that work?

COMMISSIONER ANDERSON:

Well, putting a number of engineers aside, ideally we would like to have engineers in-house. In the industry right now I would say that it's difficult, even private consultants are having difficulties getting engineers, hiring engineers, capable engineers. That is one of the issues that we are addressing, you know, when we do get beyond the State issue, that we do need qualified and, you know, certainly talented engineers to fill our ranks.

LEG. ALDEN:

Is there some kind of a program we could start with maybe -- I think Stony Brook turns out engineers, right, locally?

COMMISSIONER ANDERSON:

Various local schools, yeah. Various local schools we, you know, we do generally keep in touch with local schools to see what's out there. We do have an intern program during the summer, which is always a really good way that, you know, we get to test the young talent that's out there and they get to test us, too.

LEG. ALDEN:

Aside from the number which, you know, we can look up later on, the ideal situation is to have them in-house?

COMMISSIONER ANDERSON:

Certainly.

CHAIRMAN SCHNEIDERMAN:

Legislator Kennedy.

LEG. KENNEDY:

Hello, Commissioner. How are you?

COMMISSIONER ANDERSON:

Good morning.

LEG. KENNEDY:

While I have the opportunity to have you here an important project, I guess, going into '08 is going to be the 4th Precinct. And just if you can, generally within the context of where we're at with the budget, is this initiative adequately funded to continue to go forward to get to the next level? I'm sure the planning and all the architectural work and everything is done. We should be scheduling some actual groundwork soon, shouldn't we, Lou?

DEPUTY COMMISSIONER CALDERONE:

Good morning. Yes, we're planning on putting out -- we're 99.9% done with design. We actually plan on putting it out to bid either at the tail end of this year or very early January, but we're shooting for December putting it out to bid. And, yes the funds are -- everything is in place to go forward with the project.

LEG. KENNEDY:

There's one particular issue there which maybe we should have a conversation with afterwards. But I got written to by domestic violence groups about the tree there where the building is going to be located. Are you gentlemen aware of that?

DEPUTY COMMISSIONER CALDERONE:

Yes. I'd have to double check that. I think we're going to relocate that tree. That was all part of the bid, but I'll double check that for you, Legislator Kennedy.

LEG. KENNEDY:

All right. Just as long as we don't bulldoze it.

DEPUTY COMMISSIONER CALDERONE:

No, no. That did come up. There's also a plaque, by they way, out there. I'm aware of that. So, yeah, we're supposed to move it, but I'll double check on that.

LEG. KENNEDY:

Thank you.

CHAIRMAN SCHNEIDERMAN:

Legislator Eddington.

LEG. EDDINGTON:

Yes. I want to visit County Road 80, the East Main Street project. I know that we have been waiting for a reallocation of funds through Congressman Bishop, but I want to hear about a little bit of a time frame.

COMMISSIONER ANDERSON:

I'm going to defer that to Bill Hillman, who can give you more detail than I can.

MR. HILLMAN:

Good morning. As soon as those funds are identified we have a consultant on board, the monies for the redesign, you sponsored that resolution and the funds are there. We would develop a scope of services and negotiate a fee that would take a minimal amount of time, probably a month or so, and then the redesign would probably take six months. Then a bid package would probably be another -- and bidding and letting would be another couple of months, and then award of a contract would be, again, another couple of months. So all -- from the time we get the money and we say go, we could go to construction probably within about a year.

LEG. EDDINGTON:

This is a project that's been in the works for like ten years. And we're talking about, you know, we're waiting for this sewer piece. Why do we have to -- why can't we start designing? I mean, I heard today making plans on getting money. Things go on with the assumption that we're going to get what we say we're going to get. I've already been assured by the Congressman that he's working on that. Why can't we start the design now? Because it seems like what we do is we wait for all the ducks to get in line and that just delays things when we know they're there or they're coming. Why can't we make the assumption that it's set to go and cut this down?

I mean, the people just have been waiting and waiting and they have been hearing exactly what you just said to me for ten years. And I'm telling you, I don't want an uprising in East Patchogue. They're tired of waiting and hearing politicians promise them. I would like to see a design start right now and when that piece comes in we're good to go, not wait until that happens and then this happen. And if I do remember meetings with the Deputy County Executive, that's what his direction has been, that this should be -- all these things should be going simultaneously, not waiting. So can't we push this along?

MR. HILLMAN:

Well, the design of the sewers -- if sewers are included we would design the utilities a certain way because the roadway has extensive utilities underground. So we would have to be relocating certain things to get the sewers in. There's offsets between water and other facilities that need to be maintained. So with the sewers it's a much more extensive redesign. Without the sewers it's really just a roadway project. At that point the utilities would be --

LEG. EDDINGTON:

And that's why I'm saying let's start the design with the sewers because if it doesn't happen, we can move ahead with the road project. But if it does happen we're going to have to wait and someday that's going to happen so you are not going to be wasting your time designing it that way. If it doesn't happen this year it's going to happen the next year or the year after, whatever. So it's going to happen. It's not like you are going to be wasting your time. I would like you to prepare for the best case scenario.

MR. HILLMAN:

Well, the whole purpose of getting the sewers in now, it would look pretty bad if we redid the road and then we came back two years later and ripped it all up to put sewers in, because we would have to rip the entire road up to reallocate the utilities. And to move forward with a design reallocating those utilities before we have the funds, it's just not how it's typically done.

LEG. EDDINGTON:

You know what? If you do what you have always done, you get what you've always got. That's what I learned in the social work. I'm trying to change things. I'm not here to keep the same old thing going. I've been told by the County Executive that he's behind this. He wants the sewers in there and I don't know, but I'm new here, but when the County Executive wants it and the full Legislature wants it, it usually happens.

COMMISSIONER ANDERSON:

Understood. And to maybe add on to what Bill says, the majority -- if we do the sewers, the majority of the work that's going to take place is going to be underground, and that includes the design work. The aboveground work is, I don't want to say minimal, I'm not trying to minimize it, but it is what it is, and it's relatively straight-forward and we've been working through the long-term plan. I mean, that's all pretty much in line. Everything underground is hinging on what happens with the sewers. And, you know, so we don't design it twice, that's our concern. Certainly, you know, we can look at it to see what we can do to kind of move certain items ahead, but until that sewer portion comes through we can't go any farther.

LEG. EDDINGTON:

Well, then I would like -- we're going to have to talk to the County Executive and have him make us a firm commitment that one way or the other the sewers will be going at least up to that initial area.

COMMISSIONER ANDERSON:

Okay.

CHAIRMAN SCHNEIDERMAN:

Gil, I had asked a question earlier before you came up about two RFPs.

COMMISSIONER ANDERSON:

Right.

CHAIRMAN SCHNEIDERMAN:

One for Gabreski Airport and one for property out in Yaphank. What is the status of those projects?

COMMISSIONER ANDERSON:

Both of those, neither of those, actually, are right now under our jurisdiction. The Yaphank one is really -- the lead agency is Planning. We have received -- I do know about that. We have received two proposals from two different groups. Those proposals are being reviewed and I don't know the timeframe, but I believe sometime in the near future a decision is going to be made on which one we proceed with.

The Gabreski Airport one is being overseen by Economic Development, the industrial park, and they have been basically in control of that one. I couldn't really give you any real, you know, answers on that other than we have been in discussions, you know, with the Air National Guard, with, you know, the town. The town has, you know, gotten control of zoning. But it is moving forward.

CHAIRMAN SCHNEIDERMAN:

Looking at cost saving, and maybe you have someone ideas. One of the things certainly that's a cost for us, and I see Ben Wright is here, the disposal of sludge from Bergen Point, which I think the last time I asked was somewhere around 83 bucks a ton. Where are we in terms of coming up with alternatives for that material?

COMMISSIONER ANDERSON:

We have a contract with an engineer right now. They're doing the sludge disposal study and that is underway.

CHAIRMAN SCHNEIDERMAN:

When do we expect to see some --

COMMISSIONER ANDERSON:

Some type of results?

CHAIRMAN SCHNEIDERMAN:

Yeah, or recommendations.

MR. WRIGHT:

Good morning. We're in the very early stages of that project and it's probably going to be a few months before we get to narrowing down the first group of alternatives.

CHAIRMAN SCHNEIDERMAN:

Okay. And there will be scoping sessions, the public will get involved at some point?

MR. WRIGHT:

Yes, that's part of the project, is to develop a group that will be, you know, involved from the beginning.

CHAIRMAN SCHNEIDERMAN:

If we are to change course, you know, hopefully a way that would save us some money, when that might occur, probably not in '08, right? Probably more in '09.

One other cost related thing, it's not a cost savings but a cost impact. There's an environmental savings. The Cooper Bill has been heavily debated by this board about retrofitting some of I guess the diesel equipment with air quality filters. That's certainly going to have a financial impact. If that goes through, is that an '08 issue, is that an '09 issue?

COMMISSIONER ANDERSON:

Without having the bill in front of me I believe basically there's certain time limits where different levels start to kick in. I think in '08 it's -- I hesitate saying anything. I don't believe it's that big of an impact in '08. I believe it gives us a few years. 2009 is really when it starts to take effect.

CHAIRMAN SCHNEIDERMAN:

Okay. In the Losquadro Bill that required I think B-20 fuel or B-80 or whatever it was called.

COMMISSIONER ANDERSON:

The biodiesel, yeah.

CHAIRMAN SCHNEIDERMAN:

Biodiesel. Thank you. What kind of impacts are we seeing with that? And that's going to be now moved to the entire fleet, right? That was the decision we made?

COMMISSIONER ANDERSON:

Right. We're mandated to begin conversion of the tanks over the course of time up to I think in 2009 when everything is supposed to be in place.

CHAIRMAN SCHNEIDERMAN:

So is that -- so that would need to be reflected in the '08 budget if it was additional cost?

COMMISSIONER ANDERSON:

Yeah. The costs, if I remember right, were minimal. They were in the -- like 20,000. It was really tank replacement that we needed to do anyway and filters which would be needed to be put into all the vehicles.

CHAIRMAN SCHNEIDERMAN:

Are there areas where you see we can get some cost efficiencies, we can save some money by changing some things? You have been there now, I don't know, not that long, but I would say about a year now. Is that right?

COMMISSIONER ANDERSON:

Yeah, a little over a year.

CHAIRMAN SCHNEIDERMAN:

Is there places you see where we could trim, save some money somehow?

COMMISSIONER ANDERSON:

You mean as far as fuel efficiency or just in general.

CHAIRMAN SCHNEIDERMAN:

Well, just looking at this budget, which is a real monster, is really difficult. We're sitting here going line by line through this whole budget on the Working Committee trying to figure out, you know, how we can fund some, you know, some contract agencies that, you know, supply, you know, support work for, you know, people with AIDS or whatever. There's a lot of great agencies out there, food pantries.

You know, we're making cuts left and right. We got difficult times ahead if sales tax revenues don't start, you know, growing. I'm just asking you as the Commissioner of the department, you have had a year now, are there areas that you have noticed we might see savings in the future by changing things.

COMMISSIONER ANDERSON:

Well, I think, I mean, we are moving forward with various leads. Green buildings I think you are going to see efficiencies that will be, you know, you will see cost savings in the energy that we use through those programs. You know, really the -- I mean, in my opinion, any energy that or any savings that would be realized through fuel, I mean, that's -- until somebody develops something that isn't related to overseas oil and, you know, makes it viable, that's going to be -- that's a tough call.

We're, unfortunately we're a spend department. We -- we're there to spend money to build things, to make things, services be provided. And, you know, we are looking -- we always are looking to, you know, make our department more efficient. As, again, I don't mean to harp on the State thing, but as soon as the State issue is behind us and we can start putting some personnel, we can look at our department and continue to look at our department to see where we can make improvements.

CHAIRMAN SCHNEIDERMAN:

Are we keeping up with our infrastructure in terms of repairing our infrastructure? I notice in the County budget that we're -- the County Executive's budget, we're changing our model in terms of replacing, I guess, computer equipment from a five year model in terms of budgeting expenses to a six year model. And, you know, you can't fight time. Things deteriorate and we can plug in different numbers, but the reality is the expenses will occur as things deteriorate. Are we keeping up? Are the funds in place and people in place so that, you know, we don't see bridges collapsing or roads falling part? Oftentimes, as you know, if you don't do the maintenance work you pay a lot more later as you get the, you know, the structural damage starts to develop, so.

COMMISSIONER ANDERSON:

Absolutely and I'm a firm believer in that. As far as the bridges we stand by our statement that our bridges are safe. Our infrastructure is safe. You know, we are fully aware, both personally and professionally of the needs that we have to oversee as far as, again, that infrastructure, whether it's buildings, whether it's roads, bridges, etcetera. You know, do we -- do we need personnel? Without question. We have vacancies that we have to fill and I'm looking to fill them.

CHAIRMAN SCHNEIDERMAN:

So without that personnel you are saying you are still keeping up, you're just burning out?

COMMISSIONER ANDERSON:

Well, no. You are looking at -- next year you are looking at requirements coming. I mean, we have had retirements this year. We have retirements next year. I want to get through this State issue so I can start filling the vacancies, start getting qualified people in there.

CHAIRMAN SCHNEIDERMAN:

Except when you say, and you are in a difficult position, but when you say we're keeping up but we need more staff then we know things are tight. If you are doing the job with what you've got, why give you more staff. But at the same time you can't really say that we are falling behind.

COMMISSIONER ANDERSON:

Again, what I'm saying is with, you know, any of the blue collar areas, we've put in the overtime where we need the overtime, and the same with the white color. Wherever we need to do it our men are manning their stations.

CHAIRMAN SCHNEIDERMAN:

Do we come out ahead or behind when we use overtime rather than adding more positions? Is that a savings?

COMMISSIONER ANDERSON:

You can argue it both ways. I don't really know if there's much of a -- the problem is, you know, if you are working strictly on overtime you tend to burn, you know, eventually at some point.

CHAIRMAN SCHNEIDERMAN:

I know people like overtime to a point, but at some point you say if you are running all this overtime, overtime is supposed to be for unanticipated costs. That's, you know, how it's supposed to work.

COMMISSIONER ANDERSON:

Understood. Right.

CHAIRMAN SCHNEIDERMAN:

If we are using overtime for anticipated costs, we really should be adding more people.

COMMISSIONER ANDERSON:

But again, and I would argue that to add people just for the sake of people, we have got a number of vacancies that I want to fill. That's really my, you know, that's my goal. If when I get them filled we find we need more here or there, you know --

CHAIRMAN SCHNEIDERMAN:

What's stopping you from filling those positions?

COMMISSIONER ANDERSON:

Right now the freeze on hirings because of the sales tax.

LEG. ALDEN:

They're voting today on that.

CHAIRMAN SCHNEIDERMAN:

And if that gets voted on today is that freeze off? I mean --

COMMISSIONER ANDERSON:

Well, I'll be the first one at the door if it is. I'll tell you that much.

CHAIRMAN SCHNEIDERMAN:

There is fundamental problems in the budget. You know, I mean, the freeze is, you know, it is --

COMMISSIONER ANDERSON:

I understand --

CHAIRMAN SCHNEIDERMAN:

It's a convenient rationale for not hiring anybody right now and it kind of makes sense. But even if we didn't have that issue, we've still got major budgetary problems.

COMMISSIONER ANDERSON:

I'm not going to, again, and I understand, you know, Budget Review's concerns and I believe they're well meaning, but to just throw positions in there for the sake of positions I would argue is --

CHAIRMAN SCHNEIDERMAN:

Have you been assured that once we get that percentage, the additional 1%, that these positions will be released?

COMMISSIONER ANDERSON:

We were working pretty well with the County Executive's Office in filling SCINS prior to the freeze being implemented.

LEG. MONTANO:

Wait.

LEG. ALDEN:

I have one quick question.

CHAIRMAN SCHNEIDERMAN:

I will take Legislator Alden first.

LEG. ALDEN:

No. Let --

CHAIRMAN SCHNEIDERMAN:

Okay. Legislator Montano and then Legislator Alden.

LEG. MONTANO:

Just to clarify your last statement, because I do know that there are departments, one in particular who stated, you know, at the meeting that the SCINS have already been signed or the position has already been approved pending the passage of the 1% sales tax extension. Is that what you are saying, or you are saying that -- are you at that point where you have gotten the verbal or the written approval?

DEPUTY COMMISSIONER CALDERONE:

Yes, we have SCINS that were signed and approved, and forgive me on the timing.

LEG. MONTANO:

And they're being held?

DEPUTY COMMISSIONER CALDERONE:

That's correct.

LEG. MONTANO:

Got you. Okay.

CHAIRMAN SCHNEIDERMAN:

So there's actually individuals who are ready to work, that are waiting to fill those jobs.

DEPUTY COMMISSIONER CALDERONE:

Yes.

COMMISSIONER ANDERSON:

In some cases.

DEPUTY COMMISSIONER CALDERONE:

In some cases, yes.

LEG. MONTANO:

I just want to be clear on that.

CHAIRMAN SCHNEIDERMAN:

Legislator Alden.

LEG. ALDEN:

Gil, I have just one specific on the Condemnation Unit. Is that fully manned or is it adequately staffed?

COMMISSIONER ANDERSON:

We have a couple of vacancies in there that we're looking to fill.

LEG. ALDEN:

Okay. So that if you had the vacancies filled, that's adequate for you? You don't need additional positions created for that?

COMMISSIONER ANDERSON:

My understanding of it, yes, correct.

LEG. ALDEN:

And were they operating in good time or, you know, keeping up with the work or was there --

COMMISSIONER ANDERSON:

I believe they were. Again, I --

LEG. ALDEN:

There's no big backlog on condemnations then, right?

COMMISSIONER ANDERSON:

It's just a lengthy process.

LEG. ALDEN:

No, I know that. I used to do it, so.

COMMISSIONER ANDERSON:

Oh, okay.

LEG. ALDEN:

As an attorney. But we have been current with this. It's not like a huge backup because of a shortage of --

COMMISSIONER ANDERSON:

Under the Federal plan we do have to keep certain -- meet certain milestones with, you now, with acquisitions, with things like that. And my understanding of it, just with the staff -- fully staffed we were in good shape.

LEG. ALDEN:

You were doing good. Okay, thanks.

CHAIRMAN SCHNEIDERMAN:

Legislator Eddington for the last comment.

LEG. EDDINGTON:

Yes. I just wanted to add, Commissioner, that in the last two years any time I have worked with any of your staff they are top-notch, they respond immediately. I'm proud to say that you work for Suffolk County and your staff, and even if you are understaffed you guys step right up to the plate. So I just wanted to thank you for what you have been doing and we're going to continue to expect that same high quality work and I'm sure you won't let us down.

LEG. ALDEN:

I think all of us -- you guys do a great job.

CHAIRMAN SCHNEIDERMAN:

Yes, you guys are doing a great job with what you've got. Obviously we all would like to see you with all the staff you need and all the equipment that you need. We're working in, you know, we don't have a lot right now because of the economic conditions are keeping the funds low.

LEG. ALDEN:

We apologize in the budget process we're going to cut you in half, but.

LEG. MONTANO:

It doesn't mean we don't love you.

CHAIRMAN SCHNEIDERMAN:

Rick, before you go, is there anybody from the public who wanted to be heard? I didn't get any yellow cards so I'm assuming not. Raise your hand if you do wish to make a comment. If not, we will adjourn. Thank you.

*(*The meeting was adjourned at 10:58 A.M. *)*