

PUBLIC WORKS AND TRANSPORTATION COMMITTEE
OF THE
SUFFOLK COUNTY LEGISLATURE

Operating Budget Minutes

A special meeting of the Public Works and Transportation 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 October 24, 2012, to discuss the matter of the Operating Budget.

MEMBERS PRESENT:

Legislator Jay Schneiderman - Chairman
Legislator Steve Stern - Vice-Chairman
Legislator Wayne Horsley - Deputy Presiding Officer
Legislator Tom Muratore
Legislator Tom Barraga

ALSO IN ATTENDANCE:

Legislator Lou D'Amaro - 17th Legislative District
George Nolan - Counsel to the Legislature
Gail Vizzini - Director - Budget Review Office
Robert Doering - Budget Review Office
Jill Moss - Budget Review Office
Gilbert Anderson - Commissioner - DPW
Renee Ortiz - Chief Deputy Clerk - Legislature
Luis Montes - Assistant Deputy County Executive
Tom Vaughn - County Executive Assistant III
Ben Zwirn - County Executive's Office
Marie Berkoski - County Executive Aide
Justin Litell - Aide to Leg. D'Amaro
Deborah Harris - Aide to Leg. Stern
Christina D'Alesi - Aide to Leg. Schneiderman
Kevin LaValle - Aide to Leg. Muratore
Ryan Lynch - Tri-State Transportation Campaign
Rick Brand - Newsday

MINUTES TAKEN BY:

Gabrielle Skolom - Court Stenographer

(Meeting was called to order at 9:46 a.m.)

CHAIRMAN SCHNEIDERMAN:

Good morning. I will now call the Public Works and Transportation Budget Hearing to order. If you all will please rise and join me in the Pledge of Allegiance led by Legislator Stern.

(Pledge of Allegiance)

All right. If you wish to be heard by the Committee, I request that you fill out a yellow card. They are available with the Clerk or the Deputy Clerk up here at the table. I only have one yellow card. Since we only have one, why don't we do this first, and I'd like to, then, turn to Commissioner Anderson so we can get an update on the TVB issue and BRO for some general overviews of the budget and their comments. We all have their report now. We can open it up for further comments and questions after that. So let me call Ryan Lynch up, for three minutes, from the Tri-State Transportation Campaign, who wanted to talk about the public transportation budgeting.

MR. LYNCH:

Good morning. Thank you, Chairman Schneiderman, Members of the Transportation and Public Works Committee, for the opportunity to speak today. My name is Ryan Lynch. I'm the associate director for the Tri-State Transportation Campaign. We're a nonprofit organization dedicated to creating more balance, environmentally-friendly, and equitable transportation system in New York, New Jersey, and Connecticut. We wanted to talk a little bit about the support for Suffolk County Transit in this year's budget. Over the years, Suffolk County has done a very good job in supporting its bus system, holding on fares for almost two decades and expanding service to Sundays during the past two summers, a popular expansion among riders and businesses. We applaud Suffolk County for recognizing the importance of its bus system and contributing to it. The 28 million included in the 2013 budget will continue to build on the growing popularity of bus transit in Suffolk County. From 2005 to 2011, the most recent year available, annual ridership in Suffolk County has grown by almost 18 percent, a dramatic increase at a time when we saw Nassau County's bus ridership decrease by 3.5 percent and ridership on the Long Island Railroad drop by roughly 1.7 percent over the same time period. In fact, the only comparable system that saw ridership growth higher than Suffolk County Transit in the region was the Westchester B line, which grew by roughly 25 percent. This jump was largely because of the introduction of free transfers to New York City buses and subways and MetroCards. Just two weeks ago, the Suffolk County Legislature unanimously passed legislation that instructed the Department of Public Works to investigate similar initiatives. If implemented, Suffolk County Transit can see even greater growth in ridership over the years to come.

Suffolk County's continued support for its bus system is important because Suffolk County Transit is a critical service for many of its residents. Suffolk County Transit riders earn less than -- \$20,000 less, on average, than motorists who drive to work alone, and 5.4 percent of Suffolk County households don't have access to an automobile. That makes -- that's roughly about 27,000 households in the County. Suffolk County Transit, clearly, is a critical lifeline to jobs and a boost to the local economy. Investment in Suffolk County Transit must continue to grow, however. After a year -- over a year growth in ridership, Sunday bus service on two pilot programs routes on the east end should be made permanent as well as be expand to additional routes throughout the majority of the system.

But we recognize that Suffolk County is already doing its fair share. That's why Tri-State, in partnership with over 20 business, labor, planning, rider and rider advocacy groups recently sent a letter to Suffolk County State elected officials urging them to do more to support the Suffolk County's bus system. While New York State last year increased funding by \$1.5 million to Suffolk County's bus system through a redirection of the long lines transmission tax which moved money from the MTA system to County bus systems, it was only for one year and it was not made

permanent. Tri-State is -- will, once again, be in Albany this year making sure that that money is available and fight to make that permanent.

But even with this increase in funding, New York State only contributes 30 percent of Suffolk County's total operating budget for its bus system, and that's compared to 47 percent of Nassau County's operating budget. Suffolk County's State assembly members and senators must do more to bolster bus service in the County. We will continue to work with civics and planning and labor groups and business groups to push this fight up in Albany for more support from Albany to the Suffolk County bus system.

But we, once again, wanted to say thank you for your leadership and support for the County bus system. Doing so, we'll continue to improve and expand transportation choice in Suffolk County, reduce congestion, bolster our economy, protect our environment, and enhance the quality of life of Suffolk County residents. Thank you for the opportunity.

CHAIRMAN SCHNEIDERMAN:

Stay there for a second, Ryan, because we may have some questions. Speaking of Albany, our representative, our Legislator who served on the assembly is also here; Legislator Barraga has a question for you.

LEG. BARRAGA:

Mr. Lynch, has Tri-State taken any sort of a formal position with reference to this idea of privatizing Suffolk County Bus Transit, similar to what Nassau did?

MR. LYNCH:

We haven't taken a position on the Suffolk County initiative. We opposed Nassau County's privatization plan on the basis that we thought it would lead to service cuts and increased costs to the County or increased costs in the budget, and it was through our efforts that we actually got that one-year hold on the fares, which we are worried about going up next year. Sort of -- much of what we said has come true in Nassau County. They implemented about \$7.5 million worth of service cuts this past April.

The proposed budget went from 106 million to 113 million just over this past year, and a lot of that budget is filled with one-shot revenues from the State and from the Federal government, which puts riders at risk next year. So we're trying to get the County to kick in more money because they contribute a very, very small amount of money. As I mentioned, the State contributes about 47 percent of the total bus system operating budget for Nassau County.

LEG. BARRAGA:

So, I guess, from your comments Tri-State normally takes a position that they are against privatization of bus systems.

MR. LYNCH:

No, I mean, we support systems that are private. I mean, Suffolk County's bus system is a privately-operated system. Westchester County's system is a privately-operated system. You know, we advocate for riders, and generally what we thought was -- we thought it was the wrong way to go with opting out of the MTA system because Nassau County had a really good deal. They were the only system in the region -- suburban bus county system in the region that got support from the MTA, and we thought that the MTA and Nassau County should work together to make that deal a little bit more fair.

CHAIRMAN SCHNEIDERMAN:

Let's just go through some numbers. I have a question. So the -- I think the operating budget for Suffolk Transit is something around 28 million that we subsidize the system. That's not the overall cost. That's just the County's component of that cost. Nassau -- Nassau was much less, even

before they privatized. I think it was nine million or something in that range.

MR. LYNCH:

Yeah. The history of the whole -- I can go into the history. I don't want to bore you with how it got to where it got in Nassau County. But last year, in 2011, 2010, they were contributing about nine million a year. That was -- the only reason they could do that was because the MTA was kicking in \$26 million year.

CHAIRMAN SCHNEIDERMAN:

What is that MTA giving Suffolk to run our bus?

MR. LYNCH:

Nothing.

CHAIRMAN SCHNEIDERMAN:

Nothing. So they were giving Nassau how much?

MR. LYNCH:

\$26 million a year, and that's -- they've been doing that since 2000 when --

CHAIRMAN SCHNEIDERMAN:

Now, how is that when we're in the same MTA region that they were able to give Nassau \$26 million and us 0?

MR. LYNCH:

So they are not giving Nassau County any money anymore.

CHAIRMAN SCHNEIDERMAN:

Nothing now?

MR. LYNCH:

Nothing now.

CHAIRMAN SCHNEIDERMAN:

Zero.

LEG. BARRAGA:

No, no. That ended.

MR. LYNCH:

The reason that happened, why the MTA started supporting the bus system in Nassau County was because they had been the operator from 1973 on. They went from private to public system in the '70s. MTA was the operator, but the County covered the operating costs up until about 2000 when Nassau saw its fiscal crisis hit for the first time. So when NIFA took over, the County was contributing about \$20 million a year to the bus system, but they cut that in half, and then the MTA filled the gap. And then, with the understanding that Nassau County was going to increase its contribution as times got better, they never did that, and then ultimately got to point where Nassau County was contributing nine, MTA was contributing about 26, and then they decided they -- the MTA's having its own financial issues, so they decided they couldn't keep contributing to the suburban bus system.

CHAIRMAN SCHNEIDERMAN:

So with -- under the deal with Veolia, how much is Nassau County giving Veolia to run the system?

MR. LYNCH:

Two and a half million dollars.

CHAIRMAN SCHNEIDERMAN:

So they went from nine million to two and a half million. And size-wise, Nassau's bus system compared to Suffolk's?

MR. LYNCH:

Suffolk has about 16 to 18,000 riders a day. Nassau has about 100,000.

CHAIRMAN SCHNEIDERMAN:

So they're significantly bigger.

MR. LYNCH:

Yes. But, you know, the 9.1 to two and a half, is -- you look at that, that's about seven million dollars. That's how much money they cut in service in April. Ridership's been down about three and a half percent since April in Nassau County.

CHAIRMAN SCHNEIDERMAN:

Of course, Nassau is closer to an urban model of transportation, and they have the concentration of people near bus stops, but we don't always. Sometimes in rural areas, like on the east end, it's impossible to get a bus stop where, you know, people can walk to that bus stop. Granted, it's harder to run public transportation in rural areas, yet we're seeing a large number of users. I think that's because the busses are being used not so much to get around the communities but to get to work and get back to work. So you see the morning busses are packed and then the afternoon busses are packed, but during the day, it's not carrying as many people; whereas in Nassau, I think you see the busses being used to get around as well, and then maybe that's true in western Suffolk too.

MR. LYNCH:

Yeah. I mean, Suffolk County's -- it's such a hybrid of different land uses. You have a very, sort of, heavy urban, suburban model on the border of Nassau County, but as you get further east, it's much, much more rural, and it's harder to, you know, transit -- bus transit is integral in those regions as well because it is a lifeline for people that can't afford a personal automobile.

CHAIRMAN SCHNEIDERMAN:

So, obviously, one wish is for the State to give us more. I don't know whether we will get that. I know that you're advocating, and you're meeting with assembly and senate representatives, and I know you don't want to see the riders paying a greater share in terms of fares. One of the things the operating budget does continue to recommend is a fare increase for SCAT riders. I don't know to what degree you get involved with that component. We had looked at a dollar fair increase for SCAT. The Legislature did not approve it. The budget is budgeting revenues of about \$400,000 that result from a dollar increase. I don't know where this body will go with it. Some have suggested a smaller increase, a 50-cent increase in SCAT might be more palatable. Do you have an opinion on SCAT fares?

MR. LYNCH:

I mean, we are not in the business of advocating for fare hikes, you know, which was sort of shocking for us when we came out and endorsed the 25-cent fare hike earlier this year just because we recognized, you know, everything has gone up in 20 year requests. So the fact that, you know, we could accept the fare hike after 20 years was a big deal for Tri-State. You know, we thought the dollar SCAT fare hike was way too large. You know, I think -- Tri-State's position is that we should -- in general, is that we should have a balanced funding approach to supporting our transit system. Our transit system doesn't just benefit riders; it benefits people that are in cars because, you know, 15,000 cars are not on the Suffolk County's roads because of the Suffolk County bus

system. It benefits businesses because it gets people to and from work, and it benefits the environment, and it benefits all residents just based on the great quality of life that Suffolk County has. I mean, I grew up in Northport; I know how great Suffolk County is.

So what we think -- what we think the most balanced -- we think that any funding stream should be balanced. It shouldn't be solely on the backs of riders, but it should be contributed to -- a system should be contributed to by everyone that benefits from that; and that means motorists; it means businesses; it means residents and bus riders.

CHAIRMAN SCHNEIDERMAN:

All right. Thank you, Ryan.

MR. LYNCH:

Thank you. Anybody else? Legislator Barraga.

CHAIRMAN SCHNEIDERMAN:

Anybody else? I'm sorry. Legislator Barraga.

LEG. BARRAGA:

I just want to follow up on this concept of privatization. As you pointed out, the MTA had serious fiscal problems. They indicated to the county executive of Nassau County they were no longer to fund \$26 million for the system. As you pointed out, he was -- the county was contributing nine million, so I don't think he had much choice. The State of New York wasn't going to come in. They had their own fiscal problems. So there was this privatization move with Veolia.

So as Mr. Schneiderman points out, the system in Suffolk County has gone from \$15 million to \$28 million. The question is, it's not a question of ridership or the number of routes; I'm not even talking about that. Should we really take a serious look at the whole question of maybe privatizing the system to reduce that 28 million down to some sort of much more manageable figure, a much lower figure, based on our fiscal situation here. I mean, I know you're concerned about what Veolia in terms of eliminating certain routes, but sometimes a negotiated agreement can come about where whoever takes over the system agrees not to do that for a period of four or five years and has some sort of an agreement with what they charge in fares as well, but I think it's something, maybe, we have to take a look at at this point.

MR. LYNCH:

Well, I mean, the State did come to Nassau County's aid once again. In 2011, when the MTA was going to pull out in April, they came in with another \$10 million and said, "Okay, we'll run the system through the end of the year." You know --

LEG. BARRAGA:

But I think they did that because they really hadn't finalized the agreement with the private entity. They were still working, and they rarely get the republican senators to push through that extra \$10 million. But in the end, you know, they'd have to take some sort of dramatic act, and they did. That system is now run by someone other than Nassau County.

CHAIRMAN SCHNEIDERMAN:

Tom, let me make a comment on this, because I think it's important in analyzing this. In a sense, the Suffolk County system is in large part already privatized, and we competitively bid all the driving. You know, the gas is the gas. We're going to pay for the gas. We have a couple people in DPW who work in Suffolk Transit, and we, you know, we print the schedules, but most of the costs are the labor for driving the buses around; that, we already competitively bid. I just don't know, in terms of Nassau, whether we'd get the same level of savings.

LEG. BARRAGA:

I guess the point I'm making --

CHAIRMAN SCHNEIDERMAN:

Someone might take it all over; it's possible.

LEG. BARRAGA:

I guess the point I'm making is whether or not we can actually get a better deal if we actually went out and said, "Look. We're interested in privatizing this system. How much better deal financially can we get versus what we have now?" This expense continues to grow. Other counties are taking a look at alternatives. This is one of the areas where, you know, if you strike the right deal, I don't think it really has a negative effect on the ridership or the fares.

CHAIRMAN SCHNEIDERMAN:

And I, again, I don't know the answer to a question like that.

LEG. BARRAGA:

I mean --

CHAIRMAN SCHNEIDERMAN:

I know some of the other businesses or enterprises that we did privatize, one of the reasons why our cost was so much higher was because our labor costs were higher. In this case, we're not using -- Gil, how many people in DPW?

COMMISSIONER ANDERSON:

In transportation, it's very small. I mean, it's under 10 people that actually do that.

CHAIRMAN SCHNEIDERMAN:

So, in general, these employees are not ours already. I'm not saying there wouldn't be savings. It just may not be similar to the Nassau situation. Did Nassau also privately contract out their bus, their operation?

COMMISSIONER ANDERSON:

At the time, prior to Veolia taking over, everything was run through MTA. There was very little that was done through Nassau County.

CHAIRMAN SCHNEIDERMAN:

So they're all public employees.

COMMISSIONER ANDERSON:

Right. If I could reiterate something that was said, we've been, as a department, charged by the County Executive to look at different things: One, the possibility to renegotiate a contract. Our contract was awarded last year. It's a three-year contract. I would note that Veolia didn't make a bid or provide a proposal for any of the routes, which they knew about it, and they were aware of it.

The other thing is to look at that time possibility of, logically, what do you consolidate or cut routes that aren't doing well. We did that report, Truani (ph) report, which identified a few routes throughout the County, and then lastly -- yeah, you know, our charge was to look at this to see if it would make sense to try to bring in, you know -- I guess, essentially, rebid the contract, which we can do in two years. At this point, that's my recommendation if there is an interest.

Veolia had the chance to bid on this. Our systems are privately run. They're Suffolk bus. They're two firms out of the East End: Hampton Jitney and Sunrise Coach. They are all -- everything that's done is done privately with the exception of, like you mentioned, the gas costs and our own internal costs, which are minor. So we are looking at that.

CHAIRMAN SCHNEIDERMAN:

But, you know, with Nassau, the subsidy is like two and a half million, you said.

MR. LYNCH:

But again, the reason Nassau County's subsidy is two and a half million is because the State contributes about 50 percent of the operating budget, whereas the State only contributes about 30 percent here.

CHAIRMAN SCHNEIDERMAN:

So my point is that even if we privatize the bus system, there's likely going to be a County subsidy and the Nassau model and the Suffolk County model are really different because we're a rural area. The subsidy is likely to be much larger. Will it be the 28 million? I don't -- you don't know until you get there.

LEG. BARRAGA:

I mean, if you privatize the system, is there some way you can reduce dramatically (inaudible) to 10 million or 5 million? I don't know.

COMMISSIONER ANDERSON:

And right now, again, to reiterate something that Ryan said, in 2011, our overall costs for the transportation, both SCAT and Transit, were 57.6 million. We received 8.1 million in revenue. We got 1.8 million in Federal aid. New York State provided \$19.9 million, so that meant that Suffolk County had to kick in 27.7 million. So, you know, again, not to beat this to death, but short of a few County staff, which we would still need in some respects to monitor another private organization running the department, there's, you know, very little that can be gained. Certainly, we're looking at it.

CHAIRMAN SCHNEIDERMAN:

Is part of that increase that service on the new fleet? I know we only had to pay 20 percent of the cost because most of it was Federal money on the new busses. Was there a rise because we did bring in all new buses?

COMMISSIONER ANDERSON:

No. Those were funded almost completely through Federal grants. Between eRA grants, we got half the fleet, and the rest of them are just standard Federal FTA grants.

CHAIRMAN SCHNEIDERMAN:

Okay. Are we seeing any savings in fuel because of, you know, we have the newer busses? I think -- hopefully more fuel efficient. I know they were cleaner.

COMMISSIONER ANDERSON:

They are high-efficiency diesel engines on the SCAT -- on the transportation.

CHAIRMAN SCHNEIDERMAN:

Have we seen any -- because gas prices are high. I'm sure some of those increased costs that Ryan talked about are -- just the cost of gas doubling, that's got to be one of the biggest expenses in this system. But are we seeing some savings now because of those clean diesel buses?

COMMISSIONER ANDERSON:

I believe so, but I couldn't give you any numbers at this point.

CHAIRMAN SCHNEIDERMAN:

And the budget, I think, hasn't adjusted for that. I think the fuel line is probably where it was, right; we haven't lowered the allocation there?

COMMISSIONER ANDERSON:

Correct, because of anticipated increases and cost.

CHAIRMAN SCHNEIDERMAN:

Anybody else, just on this transportation component? All right. Thank you, Ryan. I appreciate your comments.

MR. LYNCH:

Thank you very much.

CHAIRMAN SCHNEIDERMAN:

Gil, let's stay with you now. Before, maybe, we'd even get into an overview of the entire DPW budget and where you stand on it, you want to take on this one component of the Traffic Violations Bureau in terms of the design so at least this committee is up to speed in terms of everything has happened very quickly, and the more information we have, the better informed we'll be in terms of making good decisions regarding it. So I'll turn it over to you.

COMMISSIONER ANDERSON:

Thank you. I just wanted to do a brief presentation on the physical plant, the layout. The last time we met with the Legislature, we had sketches but, albeit, they were sketches that developed into what you will see now. I just want to run through those plans with you to give you an idea of what we're looking at. Again, to reiterate, we are looking to create a Traffic Violation Bureau. I know this is not the right term, anyone who thinks "traffic violation and parking bureau," and -- okay. What you see here is the existing floor plan. Right up here is the media room. In here is the cafeteria. Civil rights is in this area. One of these buildings here is the press room. This is the open plaza, and back here is EMS. This here is the demolition plant. I don't know if it's visible or readily visible, but by the dash lines, you can see there's a minimal amount of disturbance that needs to be done to take down existing walls to put what I'll show you on the next plan is the proposed plan. And the building, the floor itself lends itself to the fact -- to the creation of a TVB in there because originally, it did hold the courts back whether the Dennison was created -- constructed.

So what you see here is -- this will be the courtroom for the Traffic Violations Bureau. This will be the waiting room here. There will be a counter here for transactions, behind here are the clerks that will, you know, handle all the transactions. This is the, you know, supervisory staff for the clerks in here. Up in this part here are hearing rooms that will be held for operational purposes, and back here are the rooms for the hearing officers, the judges, et cetera.

Up in here, what we will eventually be creating is a multi-purpose room, which will not only be the media room but will also serve as a western emergency operations center for the County. Up in here, again, the plaza will pretty much remain how it is, but you know, we just wanted to show -- we're hoping we can eventually get some type of small food service in there for everybody.

This is just to show the parking in the area. The general public will be able to park in the north lot and enter the building through the north entrance. The south entrance as well as the easterly entrance will remain, you know, County staff, both TVB as well as the remainder of the building. And just for flow purposes, again, what you see here is security cameras, those little things that look like bugs. Just for the sake of highlighting, we wanted to show this is the court area; this will be the hearing room; and this is the waiting room. So the general public will come in, wait. Depending on what their business, they will go into a hearing room or the courtroom accordingly. I believe that's it.

CHAIRMAN SCHNEIDERMAN:

Gil, based on all that, have you re-looked at the numbers in terms of this renovation? I think the CN we looked at -- I don't remember. It was like 2.5 --

MS. VIZZINI:

It was 2.5 million.

CHAIRMAN SCHNEIDERMAN:

Two point five million.

COMMISSIONER ANDERSON:

And the numbers, where we are right now, the numbers based on square footage cost. We're still comfortable with the 2.5.

CHAIRMAN SCHNEIDERMAN:

Is it still 2.5 million, or has it come down at all?

COMMISSIONER ANDERSON:

No. It's still 2.5 million.

CHAIRMAN SCHNEIDERMAN:

It's 2.5 million. So that's also relocating some things that are there now to new spaces.

COMMISSIONER ANDERSON:

Correct.

CHAIRMAN SCHNEIDERMAN:

So it's transportation cost, shipping cost. Are we retrofitting other spaces or no?

COMMISSIONER ANDERSON:

In the -- FRES right now -- sorry, not FRES. EMS will be relocated out to the old infirmary. We're presently moving our DPW portion of that building into our building. We're consolidating DPW purchasing in with the rest of us.

CHAIRMAN SCHNEIDERMAN:

Are we moving walls or doing any cable work?

COMMISSIONER ANDERSON:

Yeah. There will be some internal renovations.

CHAIRMAN SCHNEIDERMAN:

That's built into the 2.5?

COMMISSIONER ANDERSON:

Correct. Again, our concern right now, as I stated at the Legislator meeting, was the timeframe. You know, we need that money -- we need the approval on the seventh because it generally takes about two to three weeks to get funding process through IMF US. We can't cut any work orders. We can't order any equipment or materials until the money is in the IMF US system. So if we get it on the seventh, now we're looking at December first by the time we can actually start ordering work equipment, materials that we need to start doing this, and you have the holidays coming up shortly thereafter. So if we're lucky, we're going to start getting this stuff in at the first of the year. We really need to turn this thing around as quickly --

CHAIRMAN SCHNEIDERMAN:

I think there was a number of concerns that the Legislature had, frankly, the last time. Part of it was the lack of specifics, which you are now providing. There was also some issues in terms of hiring preferences with the hope that some of the jobs that would be created here would go to people that were on the layoff list. Maybe we'll hear something about that.

COMMISSIONER ANDERSON:

That's an operational thing.

CHAIRMAN SCHNEIDERMAN:

That's not you guys. That's from the Administration.

COMMISSIONER ANDERSON:

Right.

CHAIRMAN SCHNEIDERMAN:

Let me turn to my colleagues to see if there's any questions at this point regarding the Traffic Violations Bureau. Legislator Barraga.

LEG. BARRAGA:

If I remember the previous meetings, the deadline is April 1. You want to be up and running by April first, right?

COMMISSIONER ANDERSON:

Correct. We're right now hopeful that we can get this fully created by that point. My goal right now is March 15. That will give them two weeks to have everything.

LEG. BARRAGA:

I know at the previous meetings I attended, there were one or two colleagues who had concerns about the site plan. I did not. I look at it a little bit differently. But April first, if this is approved on the seventh of November, you think you could make that date.

COMMISSIONER ANDERSON:

Yes.

LEG. BARRAGA:

It's about a million dollars less than the former proposal. You're at 2.5 million, former one was 3.5 million, if I recall correctly?

COMMISSIONER ANDERSON:

Yes --

LEG. BARRAGA:

All right.

COMMISSIONER ANDERSON:

-- correct.

CHAIRMAN SCHNEIDERMAN:

Anyone else? Lou? Legislator D'Amaro.

LEG. D'AMARO:

Yes.

CHAIRMAN SCHNEIDERMAN:

Lou.

LEG. D'AMARO:

Thank you, Mr. Chairman. I appreciate that. Good morning, Gil. How are you?

COMMISSIONER ANDERSON:

Good morning.

LEG. D'AMARO:

I just want to note for the record that after that last Legislative meeting, some of us did attend the meeting with the Department of Public Works, and I had an opportunity to go over the plan in detail, and I'm satisfied as to the final layout that's being proposed here. I primarily had safety concerns because that had been expressed to me previously about the Dennison Building, that it would be difficult to locate to TVB in here given the physical layout and some concerns for employees and the public and things like that. But after going over all of that with the Department of Public Works and the gentlemen from the TVB, they pretty much addressed what my concerns were.

But, Commissioner Anderson, I just wanted to ask you again, going back to that April first deadline, is it fair to say now that you have confidence that you can meet that April 1 deadline?

COMMISSIONER ANDERSON:

Yes.

LEG. D'AMARO:

I just want to be sure of that because as we're doing the budget --

COMMISSIONER ANDERSON:

Again, we were talking at the Legislator meeting, we were talking about having it completed by February 15 at that time. Right now, given the holidays coming up, the end of the year, I'm confident that we'll have this operational, constructed by August -- April 1.

LEG. D'AMARO:

Well, I appreciate that only because, you know, drafting the budget, we're looking to the revenue, which is a whole 'nother discussion that I'm sure we're going to have, but I don't think this is the forum that we're going to have that discussion, or is it?

COMMISSIONER ANDERSON:

Agreed.

LEG. D'AMARO:

Agreed. Okay. So appreciate that again. I appreciate the plan. I think it was only very detailed, as it should be, and I think it's very well-thought out. So, again, I want to extend my thanks to your department for doing that for me. I appreciate it.

COMMISSIONER ANDERSON:

Thank you.

CHAIRMAN SCHNEIDERMAN:

Legislator Stern.

CHAIRMAN SCHNEIDERMAN:

Thank you. Gil, maybe you know the answer, maybe the other gentlemen know the answer. Explain to me what was the significance of the April 1 deadline? If our TVB is not up and running and open for business on April 1, does that mean we don't have the opportunity to do it all? What

is the significance of the date?

COMMISSIONER ANDERSON:

The April 1 is effectively when we have to begin operations. And New York State, who is now currently running the operation, they are running it until April 1. As of January 1, we'll begin to schedule appointments when people can come in and either argue their tickets, that type of thing. But on April 1 -- I mean, it's a drop-dead date. We have to have it operational by April 1. There's no ifs, ands, and buts. I mean, if we have two garbage pails turned over with a desk in front of us, we've got to be able to make it work, and at this point, that's why we're shooting for -- you know, that's the importance of the April 1. The State turns over those operations fully to us at that time. It was a big lift for the County Executive's Office to get this, and we got to make it happen.

LEG. STERN:

So just to be clear, "up and running" is a matter of degree. It's not that we won't have the opportunity to carry out our function. It's that we better be ready to carry out our function if we want to do it well, if we want to do it right. But what you're saying is if, for some reason, it is only a couple of garbage cans and a hardtop, we still have to be open for business. It's not that we cannot go forward and carry out that function.

COMMISSIONER ANDERSON:

Correct.

LEG. STERN:

Okay. Thank you.

CHAIRMAN SCHNEIDERMAN:

Before I wrap this TVB conversation, I do see two gentlemen from the Administration who have been tasked with this. Do you guys want to say anything, or you're comfortable, Mr. Montes?

MR. MONTES:

I think 1:30, we'll do it.

CHAIRMAN SCHNEIDERMAN:

Okay. In that case -- you know, at some point, we do need to have the conversation about the hiring preference. It doesn't have to be today, but I know that was a concern for the Legislature. So why don't we do this: Either, Gil, if you want to say anything about the overall budget for DPW; if not, I'll go to Gail, and you can comment after Gail's report. Which would you prefer?

COMMISSIONER ANDERSON:

I'll make a statement briefly. It's brief. As always, I commend BRO on their work, and I use most all of their work as a reference. I am comfortable with the budget that has been presented by the County Executive. After what we've been through in the past year in the department, I'm very pleased that there will be no layoffs and that we will make this work. Given that informed, you know -- given that we're faced with the operational budget hole that we still are faced with, we'll make it work. We'll make it work for another year, and I hope at some point in the future that, you know, we can, you know, bring back staff. I mean, I would make the statement that we have been able to refill positions that have been vacated, either through disciplinary action or through retirement, with people from the preferred list, so we're starting to see that happen.

But I think one of the things that the report mentioned was the performance management coming in and scrutinizing certain things, and we look forward to that as well. I know they've been busy with other things. We think that we run a great ship, you know, as efficient as we can, and any recommendations from them are welcome.

So, barring that, the only other issue I would mention is with regard to transportation, the issue of the special transportation coordinator. We are looking to fill that void. Just so everybody knows, the issues of the ADA compliance, we do monitor with the staffing that we have right now, but because of a previous lawsuit, we are mandated to have somebody in there. That's their sole function, if you will, and we are looking to fill that void internally, not with bringing somebody new in but internally at the present moment.

CHAIRMAN SCHNEIDERMAN:

Who held that position? Is that Shinnick's position?

COMMISSIONER ANDERSON:

No, that was actually Kevin Darcy that had it for years. I think he left in '07 or '06 --

CHAIRMAN SCHNEIDERMAN:

What's the title?

COMMISSIONER ANDERSON:

Well, the title right now that we were talking about is special transportation coordinator, but I'm looking at the present time of a possibility of a different position.

CHAIRMAN SCHNEIDERMAN:

And you're trying to fill it internally?

COMMISSIONER ANDERSON:

Correct.

CHAIRMAN SCHNEIDERMAN:

Okay. Let me ask a couple questions. One, operationally, I mean, we're going to get into winter; maybe we'll have another mild season like last year, who knows, or maybe we'll go back to lots of snow. Do you have enough staff to currently meet the needs of the department in terms of -- particularly those, like, emergency type of needs? Are you going to be okay based on this budget and based on your current operation?

COMMISSIONER ANDERSON:

We'll get it done. The best I can tell you is we'll get it done. I made a public statement last year of the impact of all the layoffs. Certainly, we've not been able to do what I feel all of our duties require, but again for another year or two until this budget picks up, I'm reticent to say to bring people in. We'll get it done, between contractors and staff and internal -- internal Suffolk County staff, we'll get the work done.

CHAIRMAN SCHNEIDERMAN:

Let me ask you kind of a related question in a way. Yes, your department suffered large cuts, there's no question, in staff, and we were able to bring some back with the cooperation of the County Executive by shifting people over to federal projects that we promised we'd closely monitor. How is that going? Are we doing okay with that? Were you able to find enough federal work to keep those guys gainfully employed.

COMMISSIONER ANDERSON:

Correct. Yeah, that's working very well. If you like, at the next committee or by the end of the year, I'll be able to give you a full report on where that is. We're actually in the positive right now as far as receipt of federal funding compared to what we need to offset those salaries.

CHAIRMAN SCHNEIDERMAN:

Oh, great. That's good to hear.

COMMISSIONER ANDERSON:

And, again, I thank you for all of your help in getting not only the ability to change the original layoff list as well as to bring some of the people back.

CHAIRMAN SCHNEIDERMAN:

You know I have the highest respect for the personnel within your department and the work that you guys do, the amount of capital projects. I'm not sure the general public is aware unless, you know, people are reading your statements, which I do know you e-mail about, there is so much work throughout the County that DPW is engaged in; a lot of roadwork, drainage work. It's so extensive and so many different areas, bridgework. It's really quite a large and important function within the County, and I commend you for staying on top with so little, so few people. But it does seem like you're keeping up with it. Our roads are in good shape. Our infrastructure is being maintained, and that's really very critical, particularly as we try to get our economy jump-started. We want to make sure that we have a good infrastructure to help that along, help move that along.

COMMISSIONER ANDERSON:

If I may, I'll first thank you, but also I would like to commend my staff and my entire department, the folks that I work with. It's their commitment that really makes it possible and their ability to make things happen to carry on, if you will.

CHAIRMAN SCHNEIDERMAN:

Okay. All right. So how about we go to BRO. Gail, do you want to talk to us a little bit about your findings, your recommendations regarding the DPW budget?

MS. VIZZINI:

Well, just to echo Gil's can-do attitude, he definitely -- this year, Public Works is in a year of transition, and they are down a 109 authorized positions compared to the 946 they had in the last year to the 836 that we have now, and at the time we wrote this, only 695 were filled. So I'm glad to hear that he's making some forward process in terms of getting certain key positions filled. One of our recommendations was consistent with the need for that transportation function, and I'm glad to hear that you're making progress in terms of getting that position filled.

I think the other major points about the increase in a SCAT fee, the budget, as you stated, Mr. Chairman, does assume \$470,000 in new revenue from an increase of the SCAT fee by a dollar. And there, you know, Public Works does have their own IT people similar to the majority of the County. Those positions will now be under DOIT.

I don't think that there's anything of major significance that has not already been said other than in the background is the consultant contract to review the operations of the sewer districts and our sanitation system. There's nothing specific in the budget in regards to that other than monies for a consultant to review whether we could obtain some operational efficiencies vis a vis perhaps an association with the Water Authority or some other entity.

CHAIRMAN SCHNEIDERMAN:

Okay. So let's go to the committee with questions. Let me ask a question first on sewers. I know I've been working with George on a bill that would allow us to access ASRF, Assessment Stabilization Reserve Fund Money for some Health Department positions that monitor sewers. Is there any in General Fund positions that we're aware of that might be able to also be covered through that fund within the sewer program, or are they already in the sewer district?

COMMISSIONER ANDERSON:

I'm a little confused. You're looking for General Fund positions to basically --

CHAIRMAN SCHNEIDERMAN:

I'm looking for relief through the General Fund. If, you know, there is money in the Assessment Stabilization Reserve Fund through that quarter penny tax program that is used specifically for sewer-related purposes -- I'm not talking about the traditional 477 that we've been using for employees that are doing water quality, but there's a component that's specifically for sewers. And I'm just wondering if there's people who are funded by the General Fund or the general operational budget that might qualify -- that I could add to my bill, basically, so that those people could be funded with Assessment Stabilization Reserve Funding.

COMMISSIONER ANDERSON:

Within Public Works, all the -- all of the sanitation personnel are paid for through the districts, whether it be Bergen Point or the outer districts, as we call it. So they're fully funded. It's based on a separate tax and it's -- you know, it basically pays for itself, so in that regard, I think the answer is no.

CHAIRMAN SCHNEIDERMAN:

So basically all the people you have working on sewers have already been paid by the sewer district?

COMMISSIONER ANDERSON:

Correct.

MS. VIZZINI:

Just to echo that, in the fund 261, which is the sewer operations and maintenance fund, Gil is correct: The majority of those expenses are from transfers from the respective sewer districts. However, there is a \$1.5 million subsidy from the General Fund. General Fund makes up the difference.

CHAIRMAN SCHNEIDERMAN:

And again, the 1.5 million, which is not -- you know, it's a significant amount of money, could that be covered by Assessment Stabilization Reserve Fund so that we wouldn't have to go to the General Fund for that? It's clearly sewer-related.

COMMISSIONER ANDERSON:

I believe it's for Yaphank sewer district as well as possibly Riverhead where those are -- not Riverhead -- is it Riverhead? But in any event, these are not, quote unquote, districts that were formed yet. It's -- well, in any event, that funding, I believe, is specific to districts where we are in charge of the treatment plants, but they're not formal districts, and I think the Stabilization Relief Fund, it has to be a formal district to gain access to that.

CHAIRMAN SCHNEIDERMAN:

I don't think so. Gail? I mean, because we're using the money to study areas for potential sewers that aren't sewer districts yet. I don't know. Gail? Maybe it's a legal question. Could that money be used to -- you know, a million and a half might -- we didn't have to raise SCAT fares by a dollar. It's not a small amount of money, a million and a half. Maybe you don't have an answer today, that the Assessment Stabilization Reserve Fund could cover that.

MS. VIZZINI:

Not the way the law is now and --

CHAIRMAN SCHNEIDERMAN:

Right, but I'm working on amending the law.

MS. VIZZINI:

Right. So in response to that, you asked if there was any area for General Fund relief. This is where the General Fund, you know, makes up the gap in the sewer operations fund. If we have the

Yaphank and the Riverhead sewage treatment plants which take care of our own buildings, so to the extent that that is -- that sewer for the County, for the County's operations, that may be an area or certainly Budget Review could collaborate with George to try to cover this particular transfer.

CHAIRMAN SCHNEIDERMAN:

Yeah, if you could, because I would -- my bill's, I think, about to be filed. But I would certainly amend it before filing it to -- if we're going to change law, we might as well make it work for the County in all the ways we need to.

MS. VIZZINI:

We'll be happy to look it over.

CHAIRMAN SCHNEIDERMAN:

All right. I appreciate it because million and a half would give us some relief.

Any other -- does anyone have any other committee questions for BRO regarding their recommendations? Gail, I know I'm working with you with the budget working group, and I don't think we've gotten to the SCAT far, the \$400,000 there, but I understand if we decide not to raise fares by a dollar, then we'd have to offset. That's when we'd have to come up with \$470,000 somewhere else, or if we decide to raise fares by fifty cents, we'll have to come up with half of that.

MS. VIZZINI:

Right.

CHAIRMAN SCHNEIDERMAN:

Okay. Legislator Stern, do you have a question?

LEG. STERN:

Yeah. Thank you. Gail, I just had a couple questions on our light, power, and water expenditures. Your recommendation here is to increase the funding for those expenses by \$2.8 million. What is -- that number represents the increase over what is in the recommended -- what is the number that is in the recommended?

MS. VIZZINI:

It's usually around 20, 22 million, but we're getting a precise number.

LEG. STERN:

The recommended increase represents -- represents what? What is the main concern here?

MS. VIZZINI:

There's \$25.7 million in the aggregate for all our operations, not just the General Fund. It includes -- it includes sewers; it includes all the funds that operate. And based on our best projections, it would appear that despite the energy efficiencies that we constantly support and have implemented, that there's the potential for this particular line item to go over what is in the 2013 recommended budget.

LEG. STERN:

What would you say might be the main reason for going over by that substantial amount? What's the biggest concern?

MS. VIZZINI:

I think it's more a question of perhaps the County Executive was more optimistic in terms of the actual savings associated with the energy efficiencies than -- Budget Review's a little more conservative.

LEG. STERN:

I ask because much of what we use is natural gas, and the current state right now, my understanding of natural gas is that prices have really plummeted. So I guess my question is do you see something different on the horizon in the near term? Do prices for natural gas go up in any significant way? Is that at least one substantial reason why we're planning for this type of an increase?

MS. VIZZINI:

Mr. Schroeder is very familiar with the efficiencies that we've made in terms of the natural gas contracts, so I'm sure he took that into consideration. The whole thing with energy is we've done a lot, but there is also some volatility to the whole thing. This is light, power and water consumption.

LEG. STERN:

I understand that it's everything combined.

MS. VIZZINI:

Yeah. Eighty percent -- eighty percent? Eighty percent of the bill is electricity and natural gas. Natural gas represents 15 percent of the \$25-million figure.

LEG. STERN:

I see. So the 15 percent number is what applies to the natural gas element.

MS. VIZZINI:

We're doing good there.

LEG. STERN:

Thank you.

CHAIRMAN SCHNEIDERMAN:

Can I ask, first, a question about red light cameras and the revenues, as stated, are less than what the department's request by about 22.7, Gail, and that, you say, has to do with --

MS. VIZZINI:

Well, the whole Traffic Violations Bureau was --

CHAIRMAN SCHNEIDERMAN:

Or 23.9 million. Sorry.

MS. VIZZINI:

The way the budget was structured was we created the Traffic Violations Bureau, took out the red light camera expense and the red light camera revenue from Public Works, so the way we look at it, we simply compared what was in 2012 to what is in 2013.

CHAIRMAN SCHNEIDERMAN:

So we're not getting less revenue by the shift; it's just moving from -- one place to another.

MS. VIZZINI:

One place to another.

CHAIRMAN SCHNEIDERMAN:

All right. And, of course, red light camera is speculative. If nobody runs a red light, we don't get any revenue. I mentioned that only because of a new bill, Gil, that we recently passed having to do with double poles, which it looks like Nassau County is on the verge of adopting a similar law. Some towns have contacted me, too, and it looks like we're going to get some others involved, and then maybe we can do one RFP with multiple entities. There's no guarantee of money, but on

County roads, I believe there's about a thousand double poles and at \$1,000 month, that's a million dollars potential revenue per month. I assume that the utilities will work very quickly to remove those poles once that 60-day notice period has started. But there are potential for revenues, and yes, it's speculative, but because we just passed this law, there's certainly no revenues anticipated in this budget, but it could be a revenue source for the County less whatever commissions we're paying to the entity assuming that your department isn't doing the inventory and billing. The law allows for a separate entity to do that, a contracted vendor to do that. I guess my question is should we be anticipating some revenue within the budget, or can we legitimately anticipate revenue within the budget for that new law, just the way we did with the red light program, and is it a new potential revenue source?

COMMISSIONER ANDERSON:

I would suggest not at this point until we have a proposal out there and we can see anything. I understand your math, and I hope it works out that way. I would just say at this point, to put it in is relatively speculative, and I would rather see it be conservative, so not at this point. Maybe next year if we see revenue coming in, I mean effectively, the idea, similar to red light camera, is we're going to get the utility companies to move quicker to get the poles off the roads, so in essence, at some point, their revenue is going to drop as well, so while you might have an initial bang where we start fining people --

CHAIRMAN SCHNEIDERMAN:

That's what I would expect.

COMMISSIONER ANDERSON:

The hope is, similar to public safety, is to get these off our roads and get them to move quicker in doing so, so until it levels off, I would caution just to --

CHAIRMAN SCHNEIDERMAN:

Gail, do you concur with that, the not program any revenue from the program and wait and see, or do you think we should show some revenue from it?

MS. VIZZINI:

I think we should wait until we have a little experience before we do anything. If we did anything, I would recommend we be very conservative. If we do get the revenue, it would be helpful because, as you know, Budget Review has some concerns about many line items in the budget that may not be flush.

CHAIRMAN SCHNEIDERMAN:

Other questions? I guess this really isn't a DPW question, but I had some questions about the meat production costs within the jail. Is that under public safety, or where does that fall under in the budget?

MS. VIZZINI:

What kind of costs?

CHAIRMAN SCHNEIDERMAN:

The cost of feeding prisoners.

MS. VIZZINI:

Oh, meat production. I'm sorry.

CHAIRMAN SCHNEIDERMAN:

We have -- Cornell Cooperative is providing meat for the jail. There's a \$900,000 line item that is involved with that. I had some conversations with the sheriff in terms of vocational training and some of the other issues that have been brought up. He's certainly under the belief that they can

provide a similar amount of meat to the prisoners for a significantly reduced cost and that there are other -- that they have very active vocational program, and he wasn't sure that that was really appropriate for vocational training, particularly since it's an industry that there are no jobs on Long Island. I just would ask that maybe you could do some further review, not necessarily to answer this right away, but maybe if I could get some analysis on what it would cost if the sheriffs would provide their own meat so we could at least do a cost comparison on that issue.

MS. VIZZINI:

Cost comparison between the cost for us to have the existing program versus doing an in-house or some other outside entity?

CHAIRMAN SCHNEIDERMAN:

Right. If the sheriffs would directly purchase -- they purchase their other food but the beef, they don't; they get through Cornell Cooperative Extension. So if the sheriffs were to go direct, what the cost would be versus what we're currently paying for that.

MS. VIZZINI:

Yeah. We can certainly get some information together.

CHAIRMAN SCHNEIDERMAN:

Thank you. Anybody else have any questions for BRO or for Public Works Department? Gail, thank you for your -- and your department for all of your lengthy research and review analysis. Once again, you've done an excellent job. And, Gil, thank you for your department's work and also doing an excellent job. And to all those who attended today's hearing, thank you, and we are adjourned.

(Meeting was adjourned at 10:44 a.m.)