

WAYS AND MEANS
COMMITTEE
of the
SUFFOLK COUNTY LEGISLATURE
Minutes

A regular meeting of the Ways and Means 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 Wednesday, August 1, 2012.

MEMBERS PRESENT:

Legislator Ricardo Montano - Chairman
Legislator Steve Stern - Vice-Chairman
Legislator Robert Calarco
Legislator John Kennedy
Legislator Lynne Nowick

ALSO IN ATTENDANCE:

George Nolan - Counsel to the Legislature
Gail Vizzini - Director - Budget Review Office
Robert Lipp - Deputy Director - Budget Review Office
Renee Ortiz - Chief Deputy Clerk of the Legislature
Ben Zwirn - County Executive's Office
Robert Braun - County Attorney's Office
Paul Perillie - Aide to Legislator Gregory
Robert Martinez - Aide to Chairman Montano
Justin Littell - Aide to Legislator D'Amaro
Michael Pfaff - President/General Manager of the Long Island Ducks
Frank Boulton - Owner of the Long Island Ducks
Bud Harrelson - Owner of the Long Island Ducks
Judith White - Brookhaven Rail Terminal
Andrew Kaufman - Brookhaven Rail Terminal
Ted Mills - Oakland Transportation
Michael Finland - AME
All other interested parties

MINUTES TAKEN BY:

Donna Catalano- Court Stenographer

(*THE MEETING WAS CALLED TO ORDER AT 10:10 A.M.*)

CHAIRMAN MONTANO:

I'm going to call the meeting to order and ask that we all stand for the Pledge of Allegiance led by Legislator Lynne Nowick.

SALUTATION

Thank you. You may be seated. I want to welcome everybody back from the break, and I guess we're going to get back into the swing of things. We have no correspondence to distribute, so we're going to go right into the public portion. I have Michael Pfaff, Frank Boulton and Bud Harrelson from the Long Island Ducks. Would you take a seat at the front as opposed to standing by the podium. Good morning.

MR. BOULTON:

Good morning.

CHAIRMAN MONTANO:

And thanks for coming this morning. By the way, I will remind the committee members that I am the lucky Legislator that has the Long Island Ducks play in his district. Welcome. I know that you here on Bill 1638. So, Frank, would you like to briefly state where you are at on this and what your position is and give us sort of a brief history on where we're at with the team?

MR. BOULTON:

Sure. First of all, thank you for time today. It's actually the first time in 13 years I've been back in front of the Legislature as the Ducks enter halfway through their 13th season. So thanks for having the time to have us visit with you today.

I'm joined by Michael Pfaff, who's President and General Manager of the Ducks, and, of course, Bud Harrelson, my partner and Senior Vice-President of Baseball Operations for the Long Island Ducks. I serve as the CEO and founder of the Long Island Ducks. And we are here today because we felt in the lease negotiations that something was omitted. And, you know, it was an interesting time through the lease negotiations, dealing with several different Deputy County Executives, but we created the document.

But we felt when we met with Steve Bellone and Regina that there was something that was missing in the document that we needed to address. So this is for purpose of more of a clarification than anything else. But we wanted to get it formalized in the document. So this will be first amendment that we've had in the Long Island Ducks lease in 13 years. It deals with promotional tickets, it deals with the fact that as we age, we need to keep our product in front of the people, the generations of new Duck Fans.

Buddy and Mike, when a season ticket holder doesn't renew, will call, say, "Thank you very much for coming out for the last ten, 11, 12, 13 years, but can we ask you why you are giving them up?" And they say, "Well, you know, we love the Ducks. We still love the Ducks. But when we got our original tickets, our kids were eight. Now they're graduating college." You know it's not the same dynamic in the family.

So what we need to do is continually generate the next generation of Ducks Fans. And we do it through promotional tickets with the radio stations, because that's what they want. Again, you know, when we first started, we didn't even have an advertising budget, because we didn't need one. But now, we're spending over six figures a year in paid advertising for the Ducks that you might see our TV commercial that Bud has done on cable and in print.

Another thing is that the object here is to keep the lightning in the bottle. How do we keep it being as successful as it is? We don't really want this A+ to go down to a B+. We want to keep it where it is and we want to be proactive. So that's really what this bill is about. We used to get 800 words in Newsday. Now we get Duck's Watch. This is today's paper. The game ended too late to get the score in the paper. I'm not knocking Newsday, I appreciate Duck Watch, but it's not what it was. We need to keep the lightning in the bottle. So I'm going to pass it to Mike Pfaff, who's going to talk about the who, what, where and when of promotional tickets, if that's okay.

CHAIRMAN MONTANO:

Go right ahead, Michael.

MR. PFAFF:

Thank you, Frank. The radio promotional tickets that we've used have really come in response to our radio partners requesting these tickets along with our success in utilizing them. I think it's important to underline the fact that this is an intelligent use of unused inventory. It's a resource at our disposal. And when I say "our disposal," I mean the County and the Long Island Ducks to keep this product at an A+, as Frank said.

In this bill that both the County and the Ducks are in agreement on is a good addition to our agreement. There is only utilization of these tickets if there are 1500 tickets that are not sold three weeks prior to the game or a 1000 tickets not sold two weeks prior to the game. That's 25% of the inventory of the 6000 seat ballpark. So there are some guidelines there. Obviously, we don't want to give away any tickets. We want to sell tickets. This is something where it's an intelligent use of unused inventory. The County Executive's Office agrees with us, and we'd like to see this put into the amendment for Bill 1638.

Frank mentioned our paid advertisements being up at a higher rate than we've every had, so are our barter, which we pay a percentage to the County on. So our barter advertising, our paid advertising and our promotional use have to continue to go up, as Frank said, to keep the product at an A+, keep it in front of everyone on a constant basis. The most important thing in marketing, as everybody knows, is repetition, and this allows us to do that. And by the way, this is standard operating procedure for professional teams to utilize excess inventory in this way. The Knicks, the Rangers, the Jets, the Giants, the Mets, the Yankees, you hear them all on the radio doing the same exact thing. So I think this is a smart idea.

CHAIRMAN MONTANO:

Bud, would you like to add anything to that.

MR. HARRELSON:

Sure. I'm out there all the time. I actually have tickets in the stands. I do a lot of charity events out there. I've been with Lynne before at some golf tournaments, so she is out there as well. A really good example of trying to reach people, I came in and went to the desk over here, and I said, "I'm with the Long Island Ducks," and he said, "The hockey team?" I said, "No, the baseball team."

But I'm out there. I give tickets -- my own tickets away. I do provide skyboxes for a lot of the charities. I go and -- it's Beat Buddy on a Par Three. I did it yesterday. I also did it the day before. And, you know, we are still -- we still have to pound away. You know, not everybody knows us. It's amazing that people still don't know who the Long Island Ducks are. So, you know, we are out there on the radio and TV with interviews. And, you know, it's a lot of hard work to keep it going.

MR. BOULTON:

Mr. Montano, if I could add one thing.

CHAIRMAN MONTANO:

Sure. Go ahead.

MR. BOULTON:

Buddy mentioned the -- giving away tickets to charities. And we started a foundation called the Quacker Jack Foundation about a decade ago. So every ticket that does go to a charity, a skybox that we give away -- we have a skybox that we give away, it's called, "The Owner's Box." Buddy doesn't go there except to visit, I don't go there except to visit. It goes to a charity every night. And every ticket we give away, the County does get their dollar for that. Every ticket that the Quacker Jack Foundation donates, the County gets a dollar for that.

CHAIRMAN MONTANO:

Thank you. Did Newsday get all this? Thanks, Paul. All right. Are there any questions? Yes, Legislator Nowick has a question, then Legislator Kennedy.

LEG. NOWICK:

Good morning. Nice to see all of you. And just quickly let me say, you have all been so gracious. And just quickly let me say, you have all been always so gracious in giving away tickets to charities. And that, for young people, is just a wonderful thing. That stadium is absolutely -- I'd rather go there than any place else. Having said that, I'm just confused. You just want the right to give away tickets, is that it, to fill up seats?

MR. BOULTON:

Not, it's not really to fill up seats. If we have unused inventory, it's about keeping our product in front of the people here on Long Island. Again, as our coverage in Newsday diminishes or just the actual aging process of the product, it's about keeping your brand out there.

So, you know, when you give away a ticket on the radio, probably for every ten tickets you give away, one person shows up. It's that mention on the radio. It's hearing, "The Ducks." It's like being in the parade at Thanksgiving in Patchogue or Bay Shore. You know, we bought a float just to keep in front of people in the off season. You know, we go into classrooms. So we need to keep in front. This is a tool in the toolbox of keeping the Ducks and keeping that, what I refer to as the lightning in the bottle and to generate new fans. And it's with unused inventory. It's not like -- there are certain triggers in the resolution. We all know that certainly when we sell a ticket for \$10, let's say, and you get a dollar and we get nine, we both would rather that. But we also know that this tool in the toolbox is important to us, and we need to be able to work with the radio stations. That's why we're in front of you. It's not -- we're trying to -- this is not taking a dollar out of anybody's pocket, because we're only going to sell something we haven't sold -- or we're only going to give away promotionally what we haven't sold.

LEG. NOWICK:

But then if you do that with the radio stations, you would have to -- would you have to pay them to do that sort of advertising or would they do that --

MR. BOULTON:

The radio stations, as you know, when you turn on your popular radio station, whatever you like, they're giving tickets away to the Music Fair and they're giving away tickets to, let's say, an air show or they're giving tickets away all summer long for the Yankees and the Mets. And this is just what's done to help promote the event. It's basically a trade; the airtime for those tickets.

LEG. NOWICK:

Thank you.

CHAIRMAN MONTANO:

Legislator Kennedy.

LEG. KENNEDY:

Good morning. Likewise, I think you guys do a great job, as a matter of fact. And I get Bud Harrelson in my district, Rick. So you may have the stadium, but I have a Met.

CHAIRMAN MONTANO:

He lives in yours, but he hangs out in mine.

LEG. KENNEDY:

That's even better, talk about bipartisan.

CHAIRMAN MONTANO:

We're fighting over, you know, jurisdiction here.

LEG. KENNEDY:

I am just going to put in a pitch for two charities, and you may, as a matter of fact, already work with them, but if you don't, I'm going to ask you to consider them; Greater New York Blood Services. We sponsor about seven or eight blood drives throughout the year, and we work with the Mets tickets. And it occurs to me, it would be equally -- it would be a good opportunity to promote the Ducks tickets as an incentive for donors when they come in. Now, you may be with them, I'm not sure. All I ever hear is the Mets tickets. So if you are, thank you. And the other, I guess, Long Island Cares, Harry Chapin's Foundation.

MR. BOULTON:

Yes. Yes.

LEG. KENNEDY:

Two for two?

MR. BOULTON:

Yes.

LEG. KENNEDY:

Great.

MR. BOULTON:

Can we just tell you what we do with them?

LEG. KENNEDY:

Sure.

MR. PFAFF:

With the Long Island Blood Services, we were awarded the Lifesaver of the Year Award in 2011. We have had multiple blood drives there this year with players, Quacker Jack, Buddy, myself and Frank and all of us giving blood and promoting to our fans. And we did utilize give-away-tickets for everyone who donated. So if you donated blood, you got two free tickets to a --

MR. BOULTON:

And the County got a dollar for those.

LEG. KENNEDY:

Good idea. Good idea. No, that's great.

MR. PFAFF:

Long Island Cares, I believe we were the Harry Chapin Recipient this year at their fall luncheon for good work towards Long Island Cares. We have a food drive every Sunday at the ballpark. And by the way, we work in unison with WALK-FM on tickets for those games for people to come out and donate nonperishable food items to the Harry Chapin and Long Island Cares Food Bank.

MR. BOULTON:

And just for the record, we did not ask Mr. Kennedy to ask that question.

LEG. KENNEDY:

Well, we're two for two. Thank you.

CHAIRMAN MONTANO:

Legislator Horsley.

D.P.O. HORSLEY:

Hi, Frank. How are you? Frank and I go back 40 years, maybe?

MR. BOULTON:

Forty years. One of us is getting old.

D.P.O. HORSLEY:

Very scary. Frank, I just wanted to -- you know, we are all looking at the Long Island economy at this time and, you know, whether or not we're pulling out of this recession. I know that your -- you know, the Ducks appeal to the great middle class of Suffolk County. How are we doing as far as -- you know, I know that maybe your venture is getting older and you have to compete and stuff like that, a little harder and whatever. But do you feel that the recession is easing up on the local entertainment dollars? By the way, the dollars are wonderful on your part. We'll take every one of those dollars, we'll take it. What is your assessment? I know it's not on topic, but I thought it might be important to ask you.

MR. BOULTON:

Well, I don't think Minor League Baseball is recession-proof. I really don't believe anything is. You know, I spent 25 years on Wall Street, so I understand the impact of the recession on all businesses. Part of what helps underwrite and keep us affordable, when you think about it, in 13 years, we've raised tickets prices \$2, and I lost sleep over raising the ticket a dollar at all.

But food costs goes up, electricity goes up, as you know. And it is tough on all of us to keep affordable family entertainment. And really what the toughest part is the corporate sponsors, the people on those outfield billboards that have been out there and have been really good sponsors and good partners with the Ducks since day one. But with their economic strains on their business, they help -- those corporate sponsors help us underwrite the cost of that ticket. There's no way we could sell a ticket to anybody for \$10 and pay all the expenses we have and keep that over a period of 13 years without having those corporate sponsors. And that's where we have seen, you know, it's tougher on them.

And we've had different categories. Remember when mortgage bankers were spending money on

advertising? Well, the mortgage bankers business kind of dried up on them, so they kind of go away as corporate sponsors. One of the interesting things is one of our biggest growth markets now, and I think it's a good sign, is education. Most of the colleges and universities find out that this is a great place to have a billboard to reach families when they're coming out to the ball park. And they have been rather aggressive and spending more money over the period of the last 13 years. I've seen them as a growth category.

You know, car dealers are dependent upon if you've had good weather on Presidents Day. So, you know, there are definitely economic trends. We do pay attention to them. We do understand that it's tougher for a family to pay for a season ticket, they might get a ten-game pack. We've had to adjust those. But we do keep our heads up. You know, we watch this. We watch the trends, we try to stay ahead of it. The whole reason we are in front of you is because we want to be proactive, we want to stay ahead of it. If there's growth, we want it to be smart growth. And I know that's -- you know, a little catchphrase, but that's what we've tried to do over the last 13 years. And just hope that Bud Harrelson still comes to the ballpark.

D.P.O. HORSLEY:

We all hope that as well. Do you see that -- are we pulling out? Where do you think we're heading?

MR. BOULTON:

It's interesting, I sit on a bank board and we go around a room, and we have that conversation all the time. And everybody, varied businesses, it's a Long Island bank, and we all come away with, "I don't know," you know? It's hard to say. You'd like to think that there's certain goods or services and goods that actually go through their useful life. So at some point, you have to buy a new car, right? I mean, we've all been there where you have to buy that new car. So there are certain things that you're going to have to do, but you might stretch it out a little longer.

I think people have words like stay-cation; staying at home, finding a better use of that disposal income since it's less than it was. Is a ballpark in that equation? Well, we sure hope so, and we market towards that. But I think people just have -- maybe things are better, but they're more conservative with the dollars they have in their pocket, because they fear what tomorrow might bring. So, you know, maybe, again, being smart here, have good elected officials, working forward to make Long Island a better place, you know, we can do our part at least. And I've always felt that Long Island is last in a recession and last out. So I think it might take a little bit -- a little bit longer here on Long Island, but things will happen, because this is a great place to live.

D.P.O. HORSLEY:

Absolutely. We all agree with that. I just wanted to thank you, you know, for letting me take the liberty of asking questions outside the box, because, you know, we are all in this together and we are looking to get out. And working together as a business community and your government is always positive. Thanks.

MR. BOULTON:

My pleasure.

CHAIRMAN MONTANO:

Okay. Any other questions? Frank, Mike, Bud, thank you very much. If you want, you can stay around for a couple of minutes. We have one more public speaker, and then I'm going to take the bill out of order so that we can address it, and then you'll be able to -- you will know exactly where we're at, although, I don't think there's any doubt in terms of what we're going to do. So I'll leave that up to you.

MR. BOULTON:

Well, thank you very much. We will stay. I'd like to invite -- everybody I see actually does come out to the ballpark, but warm up those arms, your constituents love to see you at the ballpark. I can tell you that. Our fans aren't just in the Islip area. They're all over Long Island. We do the demographics, so we can show that to you. But they love to see you when you come out, because we hear about it. So come on out.

CHAIRMAN MONTANO:

We will do that. Thank you.

MR. PFAFF:

Thank you.

MR. BOULTON:

Thank you very much.

CHAIRMAN MONTANO:

Now, we have a card from Michael Finland representing AME. And the topic is going to be the Foley Nursing Home, which I don't think is before us. Okay, but go ahead. Go to the podium. Michael, how are you. Just put your affiliation and title on the record.

MR. FINLAND:

Good morning, everyone. My name is Michael J. Finland and I'm Executive Vice President for Suffolk County AME. I just wanted to take a few moments to respond to an announcement that was made yesterday. The County Executive announced that there is going to be consideration for moving forward with the sale of the John J. Foley Nursing Facility. This is a road that we've traveled down before. It is my hope that we proceeded cautiously in this endeavor, and that we consider some important and vital facts. First, the facility has been a longtime mainstay of Suffolk County Government. The services provided by this entity are key and vital to the community at large. AME fervently hopes that the Suffolk County Legislature will not take a bold leap regarding Foley.

We have previously considered pursuing a public/private corporation. Let's keep our options open. While there may be a potential buyer on the radar, please consider the importance of continuity in terms of the caregiving that is provided to the patients who reside there. The employees at this facility are committed and hardworking. Their preeminent concern is the proper care of the patients that they serve.

Over my years working with Suffolk County Government I've become acquainted with several of the employees there and I can vouch for their commitment to their jobs. The bottom line is this: Please let us explore all viable options. And also, since the specter was raised yesterday with regard to sale, we have to make sure that any potential buyers are appropriately vetted. AME's bottom line is we want to keep this facility open, running, operational with the staff in place. I thank you all for your time.

CHAIRMAN MONTANO:

Thank you, Michael. Even though this is not on our agenda, I'm going to -- Mike, you want to come back up, if there are any questions? Does anyone have any questions on this? Do you have any questions at this point?

LEG. KENNEDY:

You know, I -- look, I mean, I made my statements yesterday. Folks have seen -- and my position is pretty clear. I think I applaud -- actually, quite frankly, I applaud AME for coming to the podium. In the past there has been different perspectives, I guess, regarding union support, so it's welcome

to hear your advisement to us about looking at how this unfolds and how it transpires.

I understand that we're going to be doing the Hibberd process. I know there's quite a bit that's going to go through this. Like you, I have great concerns in what I've seen so far in my own research just in a short while with this prospective purchaser, but I am glad to see that AME is fully engaged.

CHAIRMAN MONTANO:

Go ahead, Legislator Nowick.

LEG. NOWICK:

Hi, Mike. I wasn't sure. What you're trying to say is not -- correct me if I'm wrong. It's not that AME necessarily is against a sale if the nursing home stays open, but what you're saying to us is tread lightly, just do your due diligence. Is that basically --

MR. FINLAND:

Proceed with caution, keep the lines of communication open. AME's bottom line is we'd like to keep the facility open and the employees working there. However, we just hope that whatever course of action Suffolk County Government pursues on this, the Legislature, the County Executive's Office, that they consider all the options. And also, that if there is a buyer on the horizon, that this entity is properly vetted.

LEG. NOWICK:

Thanks.

CHAIRMAN MONTANO:

Just one question, Mike. With respect to the process, I mean, I learned about this pending sale yesterday, but has AME been engaged in the process or been brought up to date, or will you now be engaged in the process through and working with the County Executive's Office? Or what do you envision in terms of your role as a union in this process? I just want to get an idea of the process.

MR. FINLAND:

As you know, we came into office on July 1st. We will absolutely be actively engaged in this process, and we will work in tandem with the County Executive's Office in addressing this matter.

CHAIRMAN MONTANO:

Okay, good. And then you'll be keeping the Legislature up to date, I'm sure.

MR. FINLAND:

Most definitely.

CHAIRMAN MONTANO:

Thank you. Any other questions? Michael, thank you very much.

MR. FINLAND:

Thank you.

CHAIRMAN MONTANO:

Okay. Does anyone wish to address the committee? Hearing none, we're going to go right into the resolutions. And as I said, I'm going to make a motion to take 1638 out of order, seconded by Legislator Stern. All in favor? Opposed? Abstentions?

1638, Authorizing an amendment of the Second Ballpark License Management and Operations Agreement between the Long Island Ducks Professional Baseball Club, LLC and the County of Suffolk. (Co. Exec.) is before us. I'm going to make a motion to approve, seconded by Legislator Stern. Any discussion on the motion? All in favor? Opposed? Abstentions? Motion carries unanimously.
APPROVED (VOTE: 5-0-0-0).

Thank you very much, Frank, Mike, Bud, have a good day. See you at the ballpark. Thank you very much.

CHAIRMAN MONTANO:

I'm going to make a motion to take **1695** out of order, that's **Adopting a Local Law authorizing the County Executive to execute agreements for the sale of vacant land at the Yaphank County Center.**

First, let's take it out of order. That's on Page 4, last resolution.

LEG. KENNEDY:

Motion.

LEG. STERN:

Second.

CHAIRMAN MONTANO:

To take it out of order, right? Okay. All those in favor? Opposed? Abstentions? Motion to take it out if order carries. Now it is before us. We're going to have to table this for a public hearing, so I will make a motion to table for public hearing. I need a second on that.

LEG. KENNEDY:

Second.

CHAIRMAN MONTANO:

I think there's some people who want to address us on this. So on the motion, would anyone like to -- I'll ask the question. Does anyone in the audience want to come and speak on this issue? Judy White, let's go. Are you the only one speaking on this?

MS. WHITE:

Thank you very much for having us this morning. My name is Judith White. I'm with CJ 2 Communication Strategies, and I have been working with Brookhaven Rail Operations for the past four years. I have with me this morning Andy Kaufman, who is the President of Brooklyn Rail operations and Ted Mills, who is the Managing Operator of Oakland Transportation. Oakland Transportation would be the entity that would be purchasing this piece of property.

We are here this morning if any of you have any question with regard to this resolution or the sale of the property to answer any questions you may have. So if anyone has any questions, we're here.

CHAIRMAN MONTANO:

Legislator Calarco.

LEG. CALARCO:

I guess my first question is BRT sat down and talked to the Town of Brookhaven at all about their proposal and what they're actually doing on the lot? I know that a lot of the operation may not necessarily fall under local zoning and regulations because of the Federal rail destination. But I was

contacted by the Councilwoman who represents this area yesterday. She has got some concerns. Much of the property lies within the five to 25 year watershed area for the Carmans River.

The Town of Brookhaven has been very active in the last three or four years trying to protect that river. So they had just some concerns about what will or will not be done on the property in terms of mitigating stormwater, in terms of sand mining and some other issues.

I would prefer that these kind of issues are kind of hammered out with the town, because they are the much more appropriate entity for that. Short of that, they're actually looking for us to put some covenants in. So the question is have you sat down with the Councilwoman or the Supervisor or with anybody over there to try to hash that stuff out?

MS. WHITE:

Legislator Calarco, that's an excellent question. And the response to that is the Town of Brookhaven, we have worked in partnership with the town. Once the initial litigation was settled, frankly, the partnership we have with the town is excellent. As you know Matt Miner, he is on our site, frankly, at least once a week. We are working with the town. It is true that the site -- the first 28 acres we have developed, and the next development will be under the jurisdiction of the Surface Transportation Board.

I understand it's a complicated issue, but we have made a commitment, and I think the town will tell you this, to work with the town very diligently. Anything that is done on the site, the town has been a partner with us. The exact plans for the next -- for this particular purchase, we, frankly, don't have exact plans, because as some of you know who have been to the site, it's kind of been Brookhaven Rail Operations and Oakland Transportation field of dreams.

The private investors in this site who invested \$40 million of private capital to build a rail freight facility on Long Island built it so that they could bring in crushed aggregate. I can tell you that today, we're bringing in flour from North Dakota, which goes from our site to Wenner Bread in Islip. We're bringing in bio fuel, which goes from our site into fuel tanks on Long Island. It is 100% biodegradable product that is used to mix with home heating oil. We had the grand opening for the Ultra Green bio fuel site last week. And the trucks are coming in and going out every day. That fuel is coming from Chicago.

Mr. Kaufman can tell you about some of the other services that are coming into Brookhaven Rail Terminal. We know for a fact that there's going to be refrigerated, climate-controlled and dry warehousing. I won't bore you with the details of why that it. Just let me tell you that everywhere we have gone from the Federal Government to the local governments have asked us for refrigerated warehousing.

With regards to where we are in relationship to the Carmans River, I believe there are representatives here from the County Executive's Office who can address that question in more detail than I can. We've been over this numerous times with them. We don't believe we will have an impact in that.

There was also an issue raised by some folks with regards to whether there were any environmental studies done on this property, and I can tell you, it's probably been studied more than any other piece of property. Not only did you the County do a full SEQRA analysis, but the original rail site has gone through the entire NEPA, which is the National Environmental Policy Act, and entire NEPA study. I unfortunately only have one copy of the study with me. It is extensive. But if you would like to have it entered into the record, I can certainly do that. And the other issue that you raised, with regard to -- actually that I raised with regard to working with the town on the future use, our commitment is the same as it has been on the current site.

LEG. CALARCO:

What level does that rise to? I mean, are you willing to sit down with the town to work up the site plan for the property once you get to that stage? I mean, there's a lot of factors that obviously you're not prepared to give us details on at this point in time; how is the truck traffic going to be directed off of the property. Since you're south of the property, I imagine you need to take it all the way south through the property to Horseblock road. You know, there's a lot of different things. I know from the community's perspective and especially for the Councilwoman that represents the area, they are just looking to make sure that a lot of those issues, especially when it comes to the water runoff, because you are in the watershed area for the river, that those plans are mitigated. You know, there's a good plan in place to deal with that.

MS. WHITE:

I'm going to let Mr. Kaufman address the issue.

MR. KAUFMAN:

Hi, Legislator. Thank you all for having us here today. I think Judy is absolutely right that we have been a great partner with the town and have committed in phase one of the project to build two County standards, even though, as you point out, we're subject to the Federal jurisdiction. But in terms of the County reign, five inch standard I think is what we're building to.

We have hard structures that capture two inches and recharge areas that capture an additional three inches. We intend to build to the County's standards in terms of stormwater management. During construction, we file, although not required to, a SWPs plan with the town. And we have Sidney B. Bowne's office acting as independent engineer who come to the site either monthly or bi-monthly, I'm not sure, and they copy the town on all of the compliance standards.

So as you pointed out, we might not be under local jurisdiction, we certainly have done everything we could to build in compliance with local jurisdiction. The wastewater, as you may know from reading the proposed sale, will be dealt with through an improvement that we will pay for of the existing plant that's adjacent to the east side of the property, so everybody that will be in this development will be tied in to that sewer plant. So I think we can safely say that we're not a threat either with stormwater or with septic to the Carmans River at all.

LEG. CALARCO:

Okay. Thank you. I appreciate it. I know this is an important project for the region. We all know that we have to start pushing rail as a means of transportation to really start getting trucks out of roads. Thank you.

CHAIRMAN MONTANO:

Don't go away. I think we have some more questions. I have one question though. In looking at the contract briefly, do you have an anticipated closing date? Is it going to close this year assuming everything goes through. Is there a date in the contract by which you must close?

MR. BRAUN:

Bob Braun from the County Attorney's Office. The contract requires closing within 60 days of when the County Executive signs the contract. So the intention is to close this year.

CHAIRMAN MONTANO:

All right. And has he signed the contract? He hasn't signed it yet.

MR. BRAUN:

No. No, it's awaiting the Legislature's authorization.

CHAIRMAN MONTANO:

So he won't sign it until after the Legislature approves it.

MR. BRAUN:

Correct.

CHAIRMAN MONTANO:

All right. Legislator Kennedy had some questions and Legislator Horsley.

LEG. KENNEDY:

Thank you, Mr. Chair. Two parts; first, Sir, if I can, I'm going to go to County Attorney's Office first, because I want to talk about the contract a little bit, and then I do have specific site use and development. Just refresh my recollection if you would, Bob. We started with a parcel of 210 or 220 acres at a sale price of?

MR. BRAUN:

The initial proposal was for the sale of -- the same amount that we're currently selling. But unfortunately when the Legislature designated that property surplus, it left off an edge. So we're asking to add 39 acres to the description, but that was always what we are talking about with the buyer.

In other words, it hadn't yet been declared surplus, but we were hoping that the Legislature would agree to amend the surplus declaration to include that property. So we're talking about a \$20 million sale, and it was always for the amount that we are currently selling, for the amount of land that we are currently selling.

LEG. KENNEDY:

I'm not understanding why we have this resolution that's amending acreage. So are we adding and subtracting from the original description? What are we doing?

MR. BRAUN:

When the Legislature described an area to be declared surplus last year, it used the configuration that was intended originally for Legacy Village, and that shaved off the western portion of the southern lot that we are selling. It didn't include that.

When we started talking with the buyer, we talked about selling that whole tax lot, even though part of it had not yet been declared surplus. So, I think it's 1694, which is the resolution on the agenda just prior to this one, asks the Legislature to amend that declaration or correct that declaration to include that 39 acre piece of the tax lot. So that's what we've always been talking to the buyer about, that whole tax lot, even though part of it has not yet been declared surplus.

LEG. KENNEDY:

So we are not changing the physical description of the subject property with this resolution, 1695?

MR. BRAUN:

No. We're selling our three tax lots and a piece of paper street that goes between two of them. And that's always what we had talked to the buyer about.

LEG. KENNEDY:

How many acres in total will it be?

MR. BRAUN:

I believe it's 234, something like that.

LEG. KENNEDY:

Okay. And it is \$20 million, that consideration?

MR. BRAUN:

Twenty million and one dollar.

LEG. KENNEDY:

Okay. Roughly 87, 88,000 an acre?

MR. BRAUN:

If that's the math, yes.

LEG. KENNEDY:

That's about 87 or 88,000 an acre. From our perspective, the seller's perspective, the purchaser is going to utilize this property all in association with operations of a rail unit?

MR. BRAUN:

The buyer has expressed an intention to do that, but he is not required by the contract to do that.

LEG. KENNEDY:

We have no limitations. In other words, this is outright conveyance, no restrictions, no convenience, no limitations.

MR. BRAUN:

And if they decide to build what the zoning currently calls for, they go to the town and they do that.

LEG. KENNEDY:

And the zoning at this point is?

MR. BRAUN:

I think it's split between A-1 and L-1, so it's light industrial and residential.

LEG. KENNEDY:

Okay. Thank you. And, Sir - I'm sorry, I didn't hear your name.

MR. KAUFMAN:

Andy Kaufman.

LEG. KENNEDY:

Okay. Thank you, Mr. Kaufman. So you just heard the questions that I had with the County Attorney's Office. And you are, in essence, the purchaser, so let me ask you then, let's start at the beginning. What is purchaser's intention with this property?

MR. KAUFMAN:

Well, if I can characterize it as a sale of opportunity first for us, because of its adjacency and the only place we could in the future expand to. First and foremost we were approached by the County, we said to ourselves, "If we ever want to get bigger, this is the only place we can go, because we're bounded on the north by the Expressway, bounded on the west by 101 and bounded on the east by the County Farm. That is it." The reason I couldn't tell you today that we have extensive plans and what we're going to do other than expand our freight rail operation, if I can accurately

characterize it as a purchase of opportunity, that's what it is.

LEG. KENNEDY:

Okay. But your business is generally this movement of various goods by rail freight.

MR. KAUFMAN:

It certainly is freight-related development. We would not have spent the kind of infrastructure dollars that Judy talked about, because we wouldn't amortize them other than by using our rail freight services, stevedoring services and trans-loading services and the like. So, yes, I'm relatively sure that our growth is going to be in same vein.

LEG. KENNEDY:

Okay. So then let's talk a little bit about the operation there itself.

MR. KAUFMAN:

And just to correct one thing. Bob may or may not be right, but we don't think we are buying anything zoned residential. For us it's clearly an industrial, commercial endeavor. We would never consider --

LEG. KENNEDY:

You don't envision then spinning off and entering into townhouse development or other types of residential development?

MR. KAUFMAN:

It would be a first to have freight rail related townhouse development.

LEG. KENNEDY:

Again, you're a purchaser, so obviously we need to have at least some idea, especially because what we're doing is we're disposing of property in essence without any limitation or restriction whatsoever. This will be our last best opportunity to basically have from you what it is that you ultimately intend to go ahead and do with it.

So you move goods, you transport goods. Do you own your own stock, do you own your engines, do you own your cars? Will you maintain them?

MR. KAUFMAN:

Yes. Oakland Transportation owns 19 engines. We've got a long-term lease on 75 aggregate cars, and we own another 102 or three aggregate cars, and we're contemplating acquiring additional rolling stock for other goods movements, flat cars. We'll be a full-service freight rail terminal.

LEG. KENNEDY:

Do you have any intention of doing maintenance on your fleet at this site?

MR. KAUFMAN:

We do not. We -- all of our rolling stock travels to --

CHAIRMAN MONTANO:

You have to come up to answer that. Why don't the three of you sit down. I thought this would be brief, but it's actually longer, so this will allow us to interact. Ted, would you just put your appearance for the record.

MR. MILLS:

Good morning. My name is Ted Mills, managing member of Oakland Transportation.

CHAIRMAN MONTANO:

Welcome.

LEG. KENNEDY:

Thank you, Mr. Chair. As a matter of fact, it does make it a little easier. I apologize if I'm going on, but it's really the first opportunity I'm getting to kind of understand what the long range intentions are. I fully support the use of rail and as a matter fact, minimizing or reducing truck traffic. I think it's something that should have come a long time ago. And there's been many prior attempts to go ahead and have this type of venture occur. So, but it's your statement then that you will not be seeking to build engine shops, rail shops, do anything other than simple routine maintenance with your engines or your rolling stock there.

MR. MILLS:

That's correct.

LEG. KENNEDY:

Storage, do you have to do when it comes to fuel -- I mean, your engines use diesel, I guess. Are you going to put in any kind of holding tanks or storage tanks for fuel for your locomotives there?

MR. MILLS:

That might eventually be something that we need to, but as of today, we don't need to do that.

LEG. KENNEDY:

I have absolutely no knowledge or familiarity when it comes to operations of rail. When you construct a rail maintenance yard, support yard or anything like that, are you still operating under Federal Law, Federal Transportation authority?

MR. MILLS:

That's correct.

LEG. KENNEDY:

Okay. Routinely when you set up fuel storage types of operations for engines, what do you do? Is it a couple of above ground thousand gallon tanks, do you put a half million underground, what do you do?

MR. KAUFMAN:

We have a -- I think it's a thousand gallon what they call a day tank. It's a double-walled portable tank that complies with Suffolk County Health Department regulations. The bio diesel, as Judy earlier said, is a completely biodegradable product and doesn't store other than in the rolling stock. When a tanker car comes in, it's trans-loaded directly to truck, none of that gets stored on-site other than what you might call, you know, if the car itself is there for a day until it's unloaded. There may very well be other types of products, you know, third parties that come to us about storing other products. But today, we don't have any storage facilities. But in the warehousing, as Judy said, likely there will be lots -- we hope lots of storage, and some of it may be liquid. Actually, we've been approached by Tropicana with potentially orange juice coming in by train.

LEG. KENNEDY:

Good. As a matter of fact, from a business perspective, the more customers you have, the better. Again, when we talk about things like orange juice and stuff like that, that's great. Nobody is going to -- as a matter of fact, we're going to welcome the opportunity that you bring to us to do things like that. But, again, it's just simple due diligence. Do you transport garbage? Do you anticipate transporting garbage?

MR. KAUFMAN:

We don't today. We have not been approached by anybody, but the railroad is a common carrier and it does have some obligations to move any legal cargo that might come to the terminal. From an outbound standpoint and also, any shipper who connects with the system can ship something in, as long as it's a legal cargo.

LEG. KENNEDY:

So it's conceivable that we can have a municipal waste stream. We could have even from a medical complex, we could have red bag waste or something like that. That is in the realm of what you have a capacity to transport?

MR. KAUFMAN:

I think from a legal standpoint, the simple answer is yes. However, from a complex standpoint, there is within the Surface Transportation Board now has what's called Clean Rail Act Legislation, which prohibits the siting of a transfer station other than by the regular process that the State and local -- so from that standpoint, it could not be done from a standpoint of preemption. We would have to go through -- if you wanted to put a transfer station either on-site or adjacent, it would have to go through the DEC, the State level, as well as the local municipality. You can't use the railroad as a, you know, a dodge to otherwise eliminate local process in that regard.

LEG. KENNEDY:

Okay. One last question then with the storage buildings. And I appreciate the fact that you've been willing to sit with Brookhaven Town, talk with Brookhaven Town, try to conform to whatever the local building standards and things like that are.

Again, let me ask going back to a legal perspective. If you want to build 100,000-square foot refrigeration facility, ultimately what kind of code do you have to adhere to? Who governs, you know, the electricity, the fire suppression, all the other things that would go into any of these structures you would put on the site?

MR. KAUFMAN:

Although we might be exempt from local zoning, we are not exempt from anything to do with health, safety or welfare. So building code compliance, electrical code compliance, sanitary sewer compliance, all of that would still pertain.

LEG. KENNEDY:

Okay. Good. Thank you very much. I appreciate it. Thank you, Mr. Chair.

CHAIRMAN MONTANO:

Sure. Legislator Horsley.

D.P.O. HORSLEY:

Good morning to all. Frankly, from an economic development person who has environmental concerns for our Island, I think this is a wonderful usage, and certainly it's -- the economic development community has been looking for this type of opportunity for many, many years, and I applaud you for moving it a lot faster than apparently the State or anyone else can do. So that's all good news.

I just had a couple of quick questions relating to -- one to the Carmans -- the Carmans River area. My understanding, when we did the SEQRA process that you were outside of it. I mean, is that true, the watershed?

MS. WHITE:

You know what? I think that answer is best coming from your Real Estate Department, because they have done a total analysis of this.

D.P.O. HORSLEY:

Because I remember the Town's plans as well is, you know, where the lines drew. It was basically right along Yaphank Road. I am confused.

MS. WHITE:

I don't want to present exactly where the lines are, but you want to --

D.P.O. HORSLEY:

Is Real Estate capable? Maybe Sarah?

MS. WHITE:

Sarah, you want to talk about where our Carmans River lines are? No?

MR. ZWIRN:

Go ahead. We're having -- this is like the public hearing we're having today. Your going to have to come back on Tuesday. So that's okay.

D.P.O. HORSLEY:

I am just surprised, because it's never come up before. Suddenly this in thrown into the mix of this part of the watershed. I had heard it was not, particularly since we have a utility there and we have the sewage treatment and all that kind of stuff. I am just shocked.

DIRECTOR LANSDALE:

The County did a full environmental final generic environmental impact statement. There are maps that are being distributed right now, and we'd be more than happy to share additional information with the members of the full Legislature. But I have with me here today Mike Kaufman, who's a member of the Council on Environmental Quality.

D.P.O. HORSLEY:

The renowned.

DIRECTOR LANSDALE:

The County's environmental body that preceded over the final generic environmental impact statement, and he can answer precisely your question, if that's okay.

D.P.O. HORSLEY:

Michael, do we know the answer to that? May we, Mr. Chairman?

CHAIRMAN MONTANO:

I have been reminded that this is going to be tabled for a public hearing. However, I do think that because it's going to come back to us and they're here, we should hear this out. So I want to continue with this.

D.P.O. HORSLEY:

Okay. Thank you.

MR. MICHAEL KAUFMAN:

My name is Michael Kaufman. I'm a member of the Council on Environmental Quality. I was prime on this EIS, so my fingerprints are all over this thing. I was extremely concerned about the

Carmans River. I myself live on a wild scenic and recreational river, the Nissequogue. And as far as I was able to get things going, I was trying to be protective of the Carmans. I recognize the issues that the Town of Brookhaven and others have brought up. What it boils down to is overland transport of stormwater, there's not going to be any. Parcel A, which is where the baseball stadium was supposed to be, that was the only partial area that might contribute, again, overland transport.

D.P.O. HORSLEY:

This is not part of that, right?

MR. MICHAEL KAUFMAN:

Correct. That's where I was going to go. In my terminology what we're were looking at is Parcels B, C and D, that was part of the EIS. Again, no overland transport of stormwater run off. It's just not going to hit there; there's too many roads, the topography is flat, you're just not going to have it.

The difference is groundwater. Is this in a groundwater contributing area? The map that I passed out to everyone was prepared by CDM. Now, a lot of people have been looking at the top arrow, which goes on an east-west access. There is some groundwater impact upon the Carmans on a 10 to 25-year schedule according to CDM. However, the bulk of the flow is to the second arrow. That's the one pointing to the southeast. That does not hit the fresh water component of the Carmans River.

That always -- the lines you see by the way, are topo lines, they're water table elevations. They're essentially larger than the maps you may have previously seen showing five-year, 10-year, 15-year, 25-year movement of groundwater. Basically the groundwater coming off of the primary aspect of the site is going to go to the southeast, again, to the tidal portion, it's not going to hit the fresh water area.

Second off, the southeast flow is going to be longer, most likely, than the 10 to 25-year model that we're seeing. I have another map here. I have not given it out. But basically, it's going to be a long period of time before any of it gets there. If the railroad company takes it septic effluent and puts it into the STP, that water is going to be treated. Once that goes into the water table as effluent, it would be meeting the DEC standards of less than ten milligrams per decaliter.

Also, those standards are going to be lowered most likely to around six, and the plant most likely will be having upgrades. The water that will be coming out of there, and, again, nitrogen is the big issue, will be coming in probably below six, maybe at two and three and four. My point is you're going to get clean effluent out of there, because it's going to be treated. Once it goes into the groundwater table, it's going to be a very, very long time before it gets to the Carmans, and it's not going to be any different than what's on there right now. In other words, I just don't see a pollution problem coming off at this point in time if the water is treated through the STP. That was the conclusion that the EIS drew.

D.P.O. HORSLEY:

Michael, thank you very much. It was put on the record that was in the watershed, and so that was --

MR. MICHAEL KAUFMAN:

Watershed has a lot of different meanings. And, again, the map that I passed out showing the direction of groundwater; you have two components to a watershed. Again, overland transport, which is what a lot of people are fixated on, just doesn't happen over here. Groundwater transport, which is the other component of watershed, it's just a limited impact, especially if the water is treated in a STP. That's the gold standard, that's what we saw as mitigation. And that's what we

kind of required in the EIS, and that's what I believe is in the County's contract with the railroad company. So I just don't see the impact.

D.P.O. HORSLEY:

Great. Thank you. Michael, thank you very much for that answer. It kind of clarifies it at least in my mind that we're not a polluting agent. Let me just -- the actual STP itself, our sewer plant, how is that going -- is that intended to be upgraded, right? My understanding, is that correct?

MR. BRAUN:

Bob Braun again. Yes, the contract requires the buyer to upgrade both the capacity and the process that will be used at the County's treatment plant, which is, you know, borders on the edge of the property they're buying. So, yes. There's not a lot of capacity currently left in that plant. The County was already planning to expand that capacity to some degree or at least to upgrade the process to a more modern process. And now that there's a potential buyer for the land, they will be paying for that upgrade to the extent that it will be required to manage their wastewater.

D.P.O. HORSLEY:

That's great. Do you think that the upgrade would enable us to use any additional capacity in other -- for other purposes in that region or that area?

MR. BRAUN:

DPW is currently considering, at least my understanding, they're currently considering whether they want to upgrade beyond the amount that's required by this use.

D.P.O. HORSLEY:

Right. Growth in sewers is what we're talking about.

MR. BRAUN:

Pardon me?

D.P.O. HORSLEY:

Growth in sewers, sewerage in Suffolk County.

MR. BRAUN:

Right.

D.P.O. HORSLEY:

So that's a possibility with the advent of this project?

MR. BRAUN:

Absolutely.

D.P.O. HORSLEY:

Nice. Thank you very much. The last thing I wanted to do just quickly, Judy, in our conversations -- and I visited this location with the Supervisors and others -- one of the most exciting concepts that I had heard that came out of this was the possibility of our -- our farms out east utilizing the rail to export our products to other parts of the state. Is that -- is that still under consideration that we're going to be part of the East End farming community and usage of taking their products and delivering them around the country?

MS. WHITE:

Yes, actually it is. And that's one of the reasons why not just the refrigerated, but the climate control, which is warehousing, is very important. Mr. Kaufman has met with the head of the Long

Island Farm Bureau. We've also met with several of the individual farmers. And there is, as many of you know, many of our large farmers run farms in Florida as well as here in Long Island. And the farms in Florida produce the goods during our winter season, and there is a great deal of interest in the transportation of goods from Florida to Long Island and vice versa. So I don't want to be too optimistic, but to say that, yes, that possibility does definitely exist.

D.P.O. HORSLEY:

To many of us, that is just very exciting, and we hope that that would be -- Mr. Kaufman, that would be pursued. That would be a major boost.

MR. KAUFMAN:

Yeah, we're excited about it as well. We think that's going to be a nice piece of business for us.

D.P.O. HORSLEY:

Okay. Thank you very much.

CHAIRMAN MONTANO:

Okay. Legislator Stern.

LEG. STERN:

Thank you, Mr. Chairman. This might be a question for Sarah. Maybe you know, maybe you don't, but this is an area that is bounded by County roads, there is Sills and Yaphank where I am assuming that most of the trucks that take the cargo are going to be utilizing as they ship out regionally to deliver their goods. My question is a jurisdictional question. These are County roads, so do you believe that the County and DPW and the administration maintain jurisdiction and the decision making authority over what comes out, where and when and how, or is that something that needs to be done contractually prior to executing a contract? I guess my question is once it's sold, is it done or do we maintain the ability to determine the manner in which our County roadways are used to service the area?

DIRECTOR LANSDALE:

Counsel has just informed me that once this is sold, our highway jurisdiction still remains. They're still County roads.

CHAIRMAN MONTANO:

They're maintained.

DIRECTOR LANSDALE:

Yes.

LEG. STERN:

I raise the question -- Legislator Browning was not able to be here today, but I do know she does have a concern about what the use of the roadways is going to be and the manner in which they are going to be utilized, what comes in, what goes out, where, when and how. I know that's a conversation that she's going to have, that's good to know that even after the contract is executed, the sale is made, that we will maintain jurisdiction and be able to make those decisions going forward. Thank you.

MR. KAUFMAN:

If it's helpful, I can tell you that we already met with DOT, talked about ingress, egress, curb cuts, the like. We're going to take all their suggestions. They've actually -- there's already a curb cut on Horseblock, which is the natural entrance to this. There is a little, I don't know, a 50-foot of actual paving that enters. We're going to keep that. As far as we know, that will be the natural location

of the ingress. And as to the areas that we've already developed along Sills, we met with DOT, DOT made recommendations for acceleration, deceleration lanes, traffic lights, traffic loops, and we've already made all of those improvements on Sills Road down at the expressway and up at our entrance.

LEG. STERN:

Thank you.

CHAIRMAN MONTANO:

Quick question maybe to Counsel. I think Legislator Kennedy indicated that the math came out to 83,000 per acre. The zoning was A-1, what is A-1 designation?

MR. BRAUN:

The portion of the property that we're asking in the other resolution to add is a single-family residential zoning. That's where the County already has its jail and its wastewater treatment plant and so forth, because, as you know, the County isn't bound by the town's zoning ordinance. And the rest of the property is, I believe as Mr. Kaufman indicated, is zoned L-1, which is the industrial zone.

CHAIRMAN MONTANO:

And this was preceded by an appraisal?

MR. BRAUN:

Yes.

CHAIRMAN MONTANO:

And what did that indicate? Do we have a copy of that?

MR. BRAUN:

No, you don't yet. I can provide a copy to the committee for --

CHAIRMAN MONTANO:

We can talk about that later. Okay. Thanks. By the way, I appreciate your -- Legislator Calarco.

LEG. CALARCO:

This question is either for Sarah or maybe Michael Kaufman can come back up. I just wanted to go back to that issue with the recharge area and the groundwater zone. I understand that the property will not be discharging directly into the Carmans River, but we are within the watershed area. And primarily the property appears to be within the 10 to 25 year zone. And the town of Brookhaven, in developing the Carmans River Watershed Plan, which is undergoing many different looks recently, they're looking at the 100-year watershed zone and developing that plan and how they are going to try to direct development within that area.

So that's why this is of concern to the Town of Brookhaven and what kind of development's taking place there, because it is with that watershed area. Potentially any leachate that comes out of this property, and I'm not saying there's going to be, could make its way into the water table, could make its way into the Carmans River. So I think that's what the Councilwoman's concerns are in moving forward. It's just that we contemplate that. I'm not saying that this property is going to be problematic. It's got other areas right next door that are industrial use. I'm just saying that's something that we have to keep in mind.

MR. MICHAEL KAUFMAN:

The real answer to that is if the industrial facilities discharge directly into the ground the way so

much of the County does right now, yes, you would have an impact upon the Carmans. You would have untreated septic waste going into relatively large containment structures underground, they would go into the groundwater table, which is I think anywhere between 16 feet and about 83 feet in depth in that area. So, yeah, you'd have the problem. The trick is to mitigate. That's what we saw in the EIS.

As long as it goes into the treatment facility, which is already existing onsite running about 100,000 gallons per day, as long as that goes into an existing STP, it meets the DEC standards. That's what an STP is for, to eliminate that leachate problem and eliminate those kinds of groundwater movements. If the County upgrades to, say, 477,000 gallons a day, which is what we were looking at, as a maximum build out, and we don't think that it would really go much above that, and if the property technology is placed in there, which the County has committed to do and has done in other locations, you're not going to have the kind of nitrogen overload that everyone is worried about.

Yes, will it be technically leachate? Yes. It will be at much lower levels than you get out of a regular house. I forget the exact numbers, but the septic effluent from a house, for example, is 20 or something like that on a nitrogen scale per decaliter. When you're put into an STP, then you're at ten. That's the present DEC standard. If the technology is installed, you can get that down to six and five and four. So the gold standard, again, is pumping all this stuff into the STP and treating it. At that time, it essentially becomes like regular groundwater. And that's how you would avoid those kinds of problems.

CHAIRMAN MONTANO:

Legislator Kennedy.

LEG. KENNEDY:

Thank you, Mr. Chair. I have just one more -- Counselor, your presentation has been comprehensive and thorough as always. Thank you. But I need to ask the purchaser a question here. Again, I know that you have referenced that this is an opportunity purchase, so you have no final set of plans yet. But logistically, I'm trying to figure out in my mind what it is that you're intending to do. The current set of sitings are north of the main line. And I apologize for holding this thing up, but it's basically the only map that I have to work with. The property that we're talking about is south of the main line, so will you construct a new spur?

MR. KAUFMAN:

No. We will be extending the existing spur, and we will be going under the Long Island Rail Road main line with our siding.

LEG. KENNEDY:

Really? I hate to do this, Mr. Chair, but I have to do this. Could you show me, sir?

CHAIRMAN MONTANO:

By the way, we're going to get another crack at this when it comes back to us. By the way, just so you know, I think Judy knows, Mr. Kaufman, we generally don't go into this much detail when something is going to be tabled for a public hearing, but consider this a dry run of what you can expect by the full Legislature, and then you'll be back here, and we'll probably do it one more time.

(*Committee members were reviewing a map*)

CHAIRMAN MONTANO:

We're having what we technically call a sidebar. Go ahead, Judy. We're back on the record now.

MS. WHITE:

It's a difficult concept to visualize this. I understand that the first time I saw track being laid, I was, like, a little wowed. I would invite any of you at your convenience to give us a call, to come out see what is there now and how the track is laid, how it comes off the main line so that you have a visualization of what it is that can be done.

And the other thing is I really appreciate you're listening this morning and the very good questions you asked. Mr. Mills may not be able to be with us next Tuesday evening, so we felt it was important for us to be here this morning. We have tried very hard to meet with the community organizations that are out there, the school district, the fire department, ambulance department so that they know what it is that we're attempting to do. And we wanted to give the Legislature the same opportunity.

CHAIRMAN MONTANO:

Hearing that, are there any further questions for Mr. Mills? He won't be at Tuesday's meeting, is what you're saying. Probably not. That's an evening meeting.

MR. MILLS:

I will try my best.

CHAIRMAN MONTANO:

Legislator Horsley.

D.P.O. HORSLEY:

How many jobs do you think this is all going to produce?

MS. WHITE:

We have an application before the Regional Economic Development Council. And the immediate, if the warehousing goes as projected, we're talking between 225 and 250 jobs, those are permanent jobs.

CHAIRMAN MONTANO:

Okay. Any other further questions? Hearing none, I want to thank you very much for this presentation. We look forward to resuming it on Tuesday. Thank you. The hour is running late. We're going to breeze through the agenda as quickly as we can. Wait a minute. We have a tabling motion for public hearing. All in favor? Opposed? Abstentions? Motion carries. **TABLED (VOTE: 5-0-0-0)**

Let's go back to Page 2. Tabled Resolutions.

IR 1132, Authorizing the transfer of certain properties to Suffolk County Department of Parks, Recreation and Conservation. (Co. Exec.)

I'll make a motion to table, seconded by Legislator Stern. I notice that the Six Month Rule runs on 8/7/12. Counsel, are we going to meet before that? So this will be knocked off the agenda, right?

MR. NOLAN:

Yeah, if we don't pass it on this go, then it will be stricken.

CHAIRMAN MONTANO:

All right. Any other motions? All in favor? Opposed? Abstentions? Motion to table carries. It's **TABLED (VOTE: 5-0-0-0)**.

1186, Authorizing the Issuance of a Certificate of Abandonment of the Interest of the County of Suffolk in Property Designated as Town of Islip, Suffolk County Tax Map No. 0500-120.00-04.00-024.000, Pursuant to the Suffolk County Tax Act. (Montano).

I'm going to make a motion to table. This is not subject to the Six Month Rule; am I correct?

MR. NOLAN:

No.

LEG. STERN:

Second.

CHAIRMAN MONTANO:

Seconded by Legislator Stern. All in favor? Opposed? Abstentions? Motion carries. **TABLED (VOTE: 5-0-0-0).**

1291, Adopting Local Law No. -2012, A Local Law to Modify Requirements for Contract Agency Funding. (Calarco)

Public hearing was closed on 6/19.

LEG. CALARCO:

Motion.

CHAIRMAN MONTANO:

Motion to approve. I need a second.

LEG. STERN:

Second.

CHAIRMAN MONTANO:

Legislator Calarco to approve, Legislator Stern as a second. Any other motions? All in favor? Opposed? Abstentions? Motion carries. **APPROVED (VOTE: 5-0-0-0).**

1341, Adopting Local Law No. -2012, A Local Law to Amend the Prompt Payment Policy for all Not-For-Profit Contract Agencies. (Co. Exec.)

I'll make a motion to table for a public hearing, which is still open, seconded by Legislator Stern. All in favor? Opposed? Abstentions? Motion carries. **TABLED (VOTE: 5-0-0-0).**

1526, Directing the Division of Real Property Acquisition and Management to subdivide and offer for sale a certain parcel of land. (Kennedy)

LEG. KENNEDY:

Still working on this issue. It's something I've been dealing with. Motion to table.

CHAIRMAN MONTANO:

Second by myself. All in favor? Opposed? Abstentions? Motion carries. **TABLED (VOTE: 5-0-0-0).**

1586, Adopting Local Law No. -2012, A Charter Law to ensure the independence and integrity of the County Ethics Process. (Romaine)

Public hearing was closed on 6/19. I need a motion on this.

LEG. STERN:

Motion.

CHAIRMAN MONTANO:

Motion to approve. I need a second.

LEG. KENNEDY:

Second.

CHAIRMAN MONTANO:

Seconded by Legislator Kennedy. Any discussion?

LEG. STERN:

These are -- these come off of the recommendations that have been made by the Grand Jury as they had gone through their deliberations, correct?

MR. NOLAN:

Correct.

CHAIRMAN MONTANO:

Okay. All in favor? Opposed? Abstentions? Motion to approve carries. **APPROVED (VOTE: 5-0-0-0).**

1598, Directing a Cost/Benefit Analysis of sale of Kermit W. Graf Building. (Schneiderman)

I'll make a motion to table.

LEG. CALARCO:

Second.

CHAIRMAN MONTANO:

Seconded by Legislator Calarco. Any other motion? Any discussion? All in favor? Opposed? Abstentions? Motion to table carries. **TABLED (VOTE: 5-0-0-0)**

1601, Adopting Local Law No. -2012, A Local Law to update the County's Domestic Partnership Registry. (Spencer)

Public hearing was closed on 6/19. Motion to approve by Legislator Calarco, second by Legislator Stern. Any other motions? Discussion? All in favor? Opposed? Abstentions? Motion carries. **APPROVED (VOTE: 5-0-0-0)**

1635, Further strengthening procedures for procuring consultant services. (Kennedy)

Legislator Kennedy.

LEG. KENNEDY:

I have the bill out with several agencies who are reviewing it, so I'm going to table it for one more

cycle. We can move it next time around.

CHAIRMAN MONTANO:

Second by Legislator Calarco. All in favor? Opposed? Abstentions? Motion carries. **TABLED (VOTE: 5-0-0-0).**

1638 was already approved. Moving on to Introductory Resolutions.

1644, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Anthony Fowora and Natalie Fowora, his wife (SCTM No. 0500-099.00-01.00-013.000). (Co. Exec.)

I'll make a motion to approve and place on the Consent Calendar, seconded by Legislator Stern. All in favor? Opposed? Abstentions? Motion carries. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0).**

1645, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Joseph Pan and Barbara Pan, his wife (SCTM No. 0200-597.00-04.00-019.000). (Co. Exec.)

Same motion, same second, same vote. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0).**

The next will all be same motion, same second.

1647, Authorizing certain technical corrections to Adopted Resolution No. 71-2012. (Co. Exec.)

Same motion, same second, same vote. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0).**

1648, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Gina Jensen and Sean Jensen, her husband (SCTM No. 0200-077.00-07.00-073.002). (Co. Exec.)

Same motion, same second, same vote. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0).**

1649, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Daniel Sheen (SCTM No. 0900-094.00-03.00-010.000). (Co. Exec.)

Same motion, same second, same vote. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0).**

1650, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Ronald Postiglione (SCTM No. 0200-646.00-01.00-008.000). (Co. Exec.)

Same motion, same second, same vote. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0).**

1651, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Arlene Mary Loughlin (SCTM No. 0200-441.00-03.00-025.000). (Co. Exec.)

Same motion, same second, same vote. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0)**.

I'm going to turn it over to Vice-Chair at this moment.

VICE-CHAIRMAN STERN:

1652, Sale of County-owned real estate pursuant to Section 72-h of the General Municipal Law - Town of Brookhaven - (SCTM No. 0200-958.00-06.00-004.000). (Co. Exec.)

This is separate, so I will call a separate vote on it. I'll make the motion, seconded by Legislator Nowick. All in favor? Opposed? Abstention? **APPROVED (VOTE: 4-0-0-1; Not Present - Legislator Montano)**

1653, Sale of County-owned real estate pursuant to Section 72-h of the General Municipal Law - Town of Brookhaven (SCTM No. 0200-921.00-03.00-047.000). (Co. Exec.)

Same motion, same second, same vote. **APPROVED (VOTE: 4-0-0-1; Not Present - Legislator Montano)**.

1654, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Veronica Bripernauth (SCTM No. 0200-823.00-03.00-041.000). (Co. Exec.)

This is different, so I will make the motion to approve and place on the Consent Calendar, seconded by Legislator Calarco. All in favor? Opposed? Abstentions? **APPROVED** and placed on the **Consent Calendar (VOTE: 4-0-0-1; Not Present - Legislator Montano)** .

1655, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Georgette Pierce (SCTM No. 0900-161.00-02.00-031.000). (Co. Exec.)

Same motion, same second, same vote. **APPROVED** and placed on the **Consent Calendar (VOTE: 4-0-0-1; Not Present - Legislator Montano)**

1656, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Pro K Builders, By Robert Kaiser, President (SCTM No. 0200-030.00-08.00-065.000). (Co. Exec.)

Same motion, same second, same vote. **APPROVED** and placed on the **Consent Calendar (VOTE: 4-0-0-1; Not Present - Legislator Montano)**

1659, Authorizing certain technical corrections to Adopted Resolution No. 924-2008. (Co. Exec.)

I'll make a motion to approve and place on the Consent Calendar, seconded by Legislator Nowick. All those in favor? Opposed? Abstentions? **APPROVED** and placed on the **Consent Calendar (VOTE: 4-0-0-1; Not Present - Legislator Montano)**

1662, Authorizing certain technical correction to Adopted Resolution No. 416-2012. (Co. Exec.)

This is just a pro forma kind of change. Same motion, same second, same vote. **APPROVED** and placed on the **Consent Calendar (VOTE: 4-0-0-1; Not Present - Legislator Montano)**.

1667, Sale of County-owned real estate pursuant to Local Law No. 13-1976 Winston S. Watson and Vashti P. Watson, his wife (SCTM No. 0100-056.00-02.00-081.000). (Co. Exec.)

This is something different, so I will make a motion to approve, seconded by Legislator Calarco. All in favor? Opposed? Abstentions? **APPROVED (VOTE: 5-0-0-0)**.

1668, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Ekaterina Sioutopoulos (SCTM No. 0500-382.00-08.00-024.000). (Co. Exec.)

This is, again, something different, so I will make a motion to approve and place on the Consent Calendar, seconded by Legislator Calarco. All in favor? Opposed? Abstentions? **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0)**.

CHAIRMAN MONTANO:

1669, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Nowsherwan Khan (SCTM No. 0200-648.00-02.00-025.001). (Co. Exec.)

Same motion, same second, same vote. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0)**.

1670, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Schoolhouse Management, Inc. (SCTM No. 0200-902.00-03.00-013.000). (Co. Exec.)

Same motion, same second, same vote. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0)**.

1671, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Hilary S. Smalling III (SCTM No. 0500-294.00-02.00-106.000). (Co. Exec.)

Same motion, same second, same vote. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0)**.

1672, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Elizabeth Mae Laster (SCTM Nos. 0400-098.00-02.00-060.001 and 0400-098.00-02.00-060.002). (Co. Exec.)

Same motion, same second, same vote. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0)**.

1673, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Carol Fitzsimmons (SCTM No. 0100-191.01-01.00-216.000). (Co. Exec.)

Same motion, same second, same vote. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0)**.

1674, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Marcia L. Jabick (SCTM No. 0100-067.01-01.00-023.000). (Co. Exec.)

Same motion, same second, same vote. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0)**.

1675, Authorizing the sale, pursuant to Local Law No. 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Carol Usher and Andrew D. Usher (SCTM Nos. 0100-170.00-02.00-133.000 and 0103-001.00-02.00-030.000). (Co. Exec.)

Same motion, same second, same vote. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0)**.

1694, Enlarging the area of land previously declared surplus pursuant to Resolution No. 298-2011. (Co. Exec.)

That pertains to our prior lengthy discussion. I'll make a motion to approve.

LEG. STERN:

Second.

CHAIRMAN MONTANO:

Seconded by Legislator Stern. Any further discussion? All in favor? Opposed? Abstentions? Motion to approve carries. **APPROVED (VOTE: 5-0-0-0)**.

1695 we did. All right. At this time, we're going to go into, I believe, Executive Session. So I need a motion to go into Executive Session to discuss litigation, seconded by Legislator Stern. All in favor? We will be right back.

(*AN EXECUTIVE SESSION WAS HELD FROM 11:39 A.M. UNTIL 12:02 P.M.*)

We are out of Executive Session. The committee approved a settlement in the case of Douglas Omar Parada Dinarte, D-i-n-a-r-t-e Vs. County of Suffolk, et al. Having no further business of the committee, we are hereby adjourned.

(*THE MEETING WAS ADJOURNED AT 12:02 P.M.*)