

Office of the Onondaga County Legislature

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FISCAL WAYS AND MEANS COMMITTEE MINUTES - MAY 12, 2008

CHAIRMAN JAMES M. RHINEHART

MEMBERS PRESENT: Mr. Kraft, Mrs. Rapp, Mr. Stanczyk, Mr. Holmquist, Mr. Kilmartin, Mr. Warner, Mr. Kinne

MEMBERS ABSENT: Mr. Corbett

ALSO PRESENT: Chairman Meyer, *see also attached list*

Chairman Rhinehart called the meeting to order at 9:00 a.m.

MANAGEMENT AND BUDGET: 1st Quarter Forecast -- Joe Mareane, CFO

Mr. Mareane distributed a report, *Key Economic and Fiscal Indicators (attachment #1)*.

Economy is stronger here than in other parts of country, but are affected by some national trends. He highlighted the following:

- Unemployment rate: almost 1% higher than 2007
- Consumer confidence: 26 year low
- Inflation rate: up 1.2%
- Lis Pendes YTD-standstill order, often precursor to bankruptcy; it almost doubled from 2007
- Average Price of Home: still rising
- Public Assistance Caseloads: down in first quarter

Forecast:

- Tracking within \$100,000 of budget

Revenues:

- Sales Tax - surplus, good growth in 1st quarter of nearly 5%; half is attributable to an audit adjustment of prior year; first quarter is up 2%-2.5%. Expect by year-end that the baseline will grow by 2.2% over 2007, and will get approx. \$3.5 million from gas cap.

Mr. Warner asked the Comptroller to determine exactly where the gas cap money went, as he never saw a reduction at the gas pump. Mr. Antonacci said that Mr. Buckel has a referral in to the Attorney General's office. He will contact the AG to check on their progress; they probably won't disclose while there is an investigation. **Mr. Warner asked the Comptroller to keep the committee posted on the issue.** Mr. Stanczyk said that when it was proposed, it was thought that the retail establishments would capture it, but it seems clear that the wholesalers increased the price. The public got little or no benefit. Chair Rhinehart noted that after Mr. Holmquist's resolution to keep the gas tax cap on was defeated, the gas stations raised their prices within the next 2 days. Mr. Stanczyk said it is a difficult to assess because the tax is embedded in the price offered.

Revenues (continued)

- Deferred/Uncollected Taxes: current yr. tax collections; project \$1.5 million deficit, rate of collection down by .5%.
- Prior Yr. Taxes (delinquent): project \$600,000 surplus; City continues tax lien sales; surges of prop. tax collections
- Interest & Earning: interest rates are about half from 2007; project deficit of \$2.2 million

- All Other Key Revenue: largely from housing federal prisoners, able to house more than projected. It may be temporary, are now getting reports of capacity concerns at Jamesville and Justice Center, projecting surplus of \$500,000 at this point.

Expenditures:

- Salaries/Wages - on target; local dollar surplus of \$400,000 projected
- Anticipated Salary Settlement - mostly OCSA award; contract in place through 2011; went through arbitration. Top step deputies received 4% annual wage hike; other steps at 3%. Part is retroactive; last contract was in '05. Money was put in for it in '06 and '07 and wasn't spent; went to fund balance. In 2007 year-end transactions \$1 million was set-aside for retroactive amounts for the legislature to appropriate. The retro payment is about \$1.4 million; will come back to the legislature to ask for a transfer from fund balance to cover the payment.

Mr. Stanczyk indicated that if it fund balance wasn't taken; the projection would be in the red. Mr. Mareane explained that it is taking the surplus from prior years and allocating it this year to pay for the retroactive amounts. It is only for the back years; going forward (operating budget) there will be a shortage for the amount set aside, which will have to be covered. Mr. Kilmartin said that funds were segregated; \$1 million, set aside knowing there would be arbitration in the future. Now that a ruling has come down, the "vacation account" surplus that accrued over time, is being applied to the arbitration ruling. The arbitration ruling was larger than anticipated, and that is where the incremental shortfall is. Mr. Mareane agreed. Mr. Stanczyk said that we are pulling down our fund balance by more than what was anticipated.

Mr. Kraft said to assume that prior amounts, which reverted to fund balance, are still available is dangerous; budgeting should occur for what is expected. For a lot of years fund balance has been protected because of rating agencies and the 10%, which was set. He is worried that if fund balance is used, there will be difficulty. Mr. Mareane said that they designated the money, which means that they intend to come to the legislature to ask for authorization to spend it--\$1 million was set aside for that purpose. After the designation, the County is still over the 10% goal. Mr. Kraft asked if anything is anticipated that will bring us below 10%; Mr. Mareane said "no."

Mr. Kinne asked how the \$1 million was derived. Mr. Mareane explained that they projected a 3% award, and it ended up being 4%.

Mr. Kraft asked if the settlement with OCSA was totally defined by the arbitrator or an agreement that the arbitrator sanctioned. Mr. Mareane said that each piece is broken down; every item in the contract is voted on by 3 people -- a rep from County, a rep from the union, and the arbitrator.

Mr. Stanczyk noted there is a difficult economy. Because of being frugal, the County has done well for a long period of time. It is difficult to see money coming from fund balance; it becomes an easy crutch. There was \$1.4 million taken from fund balance. There is anticipation of another \$3.5 million from gas cap, without it the County would have a serious deficit. He his hopeful that there is a commitment to reduce property tax because of sales tax revenues. Mr. Mareane said that the \$10 million was the expected county-wide impact; the County share was about half. Mr. Seitz said that in the 2007 budget, there was \$1 million in salaries and wages that went to surplus because it wasn't spent. It was in the budget and then designated. It couldn't be booked by year-end, because the cost was not known.

Expenditures (continued)

- DSS Administration: \$800,000 projected local deficit; \$800,000 gross surplus; 2% across the board State budget cuts, including reimbursement for mandated services
- Approximately \$1 million - \$1.25 million local dollar impact as a result of State budget
- Welfare Program - Family Assistance project \$1 million projected surplus; Foster Care \$500,000 deficit due to retroactive rate adjustments; Pre-K Program - wasn't capped in State budget, \$400,000 deficit

Mr. Mareane said this is a tight year. The economy has constrained things; the budget passed last fall was very tight; and there was a \$1 million hit from Albany. He said every vacancy that comes through is being reviewed, looking at all equipment budgets; and an austerity program is in place. There is likelihood that the State will come back and visit its budget in the next several months; they can't balance it. It is important for the County to get in front of the issue. There is a need to make sure that anyone who will make decisions on it, including editorial boards, knows that if the State tries to balance the budget by shifting cost to counties, that they are not balancing it. The State would be shifting the burden from income tax to property tax.

COMPTRROLLER: 2007 Year End Report (CAFR) -- Robert Antonacci, Jr., Comptroller

Mr. Antonacci distributed a summary (*attachment #2*). He thanked James Maturo and Tom Squires for their work on the CAFR. It is a gargantuan task; Onondaga County is one of the first counties to release the CAFR. He said that there is a lot to be learned by the CAFR and highlighted the following:

- The statistical section: offers a comparison over the years of different things like employment numbers, full-time equivalents, amount of spending--a quick snapshot of trends in the County
- Notes of the financial Statement: provides historical and future perspective of where the County is headed
- Management discussion analysis

In answer to Mr. Stanczyk, Mr. Antonacci explained that the County is in good fiscal health with the economy that is surrounding it. The CAFR acts as a tool of comparison. For example, there are comparisons with Monroe or Erie County regarding fund balance policy. Onondaga County is at 10% which is clearly gleaned from the documents. Also, the percentage of taxing authority and how much county residents are taxed --constitutionally 1.5% of value can be taxed; Onondaga County is at .53%, which is down from .54%. The trend down is good--either values are going up, County is taxing less, or a combination of both. The percentage of debt that residents are taxed rose slightly, but the County is incurring some debt for roads, projects, etc. The percentage is healthy, especially compared to Erie County, which is almost double.

Mr. Stanczyk said that in the past 4 or 5 years expenditures have continued to go up, but property tax levy has gone down because of the appreciation of property value. In the next couple of years there will be negligible appreciation compared to previous years--more stress on the property tax rate and collections. Mr. Antonacci said that the real stress will come from sales tax; the community relies on it. If consumer confidence and sales tax lag, it causes a stress. As property values stagnate, the rate will increase and spending will be examined.

Mr. Kraft referred to the handout--undesignated fund balance in the General Fund being \$60.2 million and page 5 of the CAFR shows \$14 million designated. They are really unreserved funds--ideas that the Executive has to spend. Mr. Antonacci said that it is a budgetary request. Mr. Kraft said it is not yet approved by the legislature; Mr. Antonacci agreed. Mr. Kraft said that there is really \$74 million; \$8 million was appropriated in the '08 budget, leaving \$66 million. Theoretically, if no requests get authorized by the legislature, there is \$6 million more. Mr. Antonacci said that \$1 million was set aside for the OCSA settlement. Page 22 notes the designated fund balance that delineates what the Executive has asked to be set aside.

Chairman Rhinehart asked if the energy cost savings of \$1.8 million compares to what the projections were. Mr. Mareane said that it exceeds projections. The project has worked exactly how they wanted it to--a lot of energy and money has been saved.

Chairman Rhinehart asked about the cash on hand at year-end, which increased from 2006. Mr. Maturo said it has to do with what went out to be borrowed at the end of year. Operation of all governmental funds is up \$20 million across the board; if the result of the operations is up, there will be some net that will go into cash funds also. There is a timing difference with the borrowings in the capital projects from when the money comes in and when it gets spent. Mr. Antonacci added that the net assets actually decreased, but almost all of the decrease was a result of GASB45, the post retirement health benefits. Overall, the net assets without that number, would have increased--another sign of fiscal health.

Mr. Antonacci said that the budgetary comparisons schedule (pg. 39) is a very good management tool; shows what was projected, budget vs. the results of operations for departments.

Mr. Warner asked about moving Van Duyn from an enterprise fund to a governmental fund. Mr. Maturo explained that an enterprise fund uses full accrual basis of accounting, like a business. If there is a lot of liability incurred regardless of when paid, the expense has to be recognized. It is the same with revenue-- regardless of when it is received, it is recognized as revenue. With Van Duyn on the full accrual basis, and with the post employment health benefit liability, it had to be recognized as an expense and would hit their retained earnings in the current year. Without a mechanism to fund that liability, Van Duyn would continue to go negative over the next 30 years at rate of \$4 - \$5 million per year. Based on that, Van Duyn is no longer able to be self-sufficient. An enterprise fund, for the most part, is a self-sufficient fund. Earlier this year they were put in a special revenue fund, much like WEP, MWB, and library.

Student Assistance Program - Robert Long, Mental Health Commissioner

Chairman Rhinehart said that there is a public hearing tomorrow evening regarding a proposal for the Student Assistance Program and asked Mr. Long to brief the committee on the proposal. Mr. Long distributed a handout (*attachment 3*) and reviewed the document. He said that there has been a lot of confusion about the reasons for the proposal; the first and foremost is to avoid closure of the SAP program and loss of services.

Mr. Kinne asked if the schools want the program, but are not happy with the way it is run. Mr. Long agreed. Mr. Long said that schools pay about \$21,000 towards each counselor; and recognize it is a good deal for them. The problem has been that the laws, rules and regulations that the County needs to operate under, do not permit the County to meet the schools needs. Examples are provisional hiring; hiring one of the top 3 candidates off of a Civil Service list; a counselor is not considered a good fit for the school. There are 6 SAPs in NYS--only Onondaga County directly operates the SAP. In 2 counties the school district operates the SAP; in 3 counties they are operated by not-for-profit agencies. He distributed letters from Westchester and Oswego County, who run the SAP through not-for-profit agencies and are satisfied with the program.

Mr. Stanczyk asked what models Nassau and Suffolk Counties use. Mr. Long said that he has not proposed it because he met with the School districts and they indicated that they are not interested in directly operating the program. **Mr. Stanczyk asked Mr. Long to find out what their models are.** He asked about Monroe and Erie Counties; Mr. Long said that they do not have SAP and never have had them. Mr. Stanczyk asked how much the State pays, how much schools pay, and how much the county pays for the programs. Mr. Long said that in gross dollars it is a little over \$1 million; the State pays \$736,000; County pays \$71,000, Schools pay \$210,000. Schools in NYS could obtain the program when the grant was first offered, but the funding is no longer being offered by the State.

Mr. Rhinehart asked about the funding commitment from the State. Mr. Long explained that it has increased slightly because COLA's have been passed in the last few years, up about 2.5% - 3% per year.

Mr. Kinne asked how the schools that left the program feel it should be run. Mr. Long said they spoke to 2 schools that left and all of the schools that are in the program now. They all agreed that the not-for-profit agency is the preferred approach.

Mr. Kilmartin asked if the numbers include the cost of County employees being utilized; Mr. Long said that they do.

Mr. Long stated that there would be \$180,000 savings immediately by going to a not-for-profit agency; savings are reinvested so the program can expand to serve 3 additional schools. There is a decrease in future county liabilities through post retirement health benefit savings; after 20 years there will be a savings of \$1.7 million.

Mrs. Rapp asked if the schools pay for the retirement benefits; Mr. Long said that the County does, as they are our employees. If the proposal goes through, they become employees of the not for profit agency and they would be included in that agency's pension plan

There is a creation of a program coordinator being asked for, no additional dollars.

Mr. Warner questioned at what point does the State tells us to for get this. Mr. Long said that he does not know. The State has not threatened this money, but as a number of schools decline, there could be a point where it could become an issue.

Mr. Stanczyk pointed out that if this program is terminated, there are ongoing retirement health costs, which will continue for a while.

The meeting was adjourned at 10:05 a.m.

Respectfully submitted,
DEBORAH L. MATURO, Clerk
Onondaga County Legislature

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**JOINT MEETING OF EDUCATION AND LIBRARIES and WAYS AND MEANS COMMITTEES
May 12, 2008 - MINUTES**

WAYS & MEANS MEMBERS: Chairman Rhinehart, Mr. Kraft, **Mrs. Rapp, *Mr. Stanczyk, Mr. Holmquist, Mr. Kilmartin, Mr. Warner, Mr. Kinne

EDUCATION & LIBRARIES MEMBERS: Chairman Kilmartin, *Mr. Stott, Mr. Holmquist, *Mr. DeMore, Mr. Kinne

MEMBERS ABSENT: Mr. Corbett, Mrs. Winslow

Chairman Rhinehart called the meeting to order at: 10:15 a.m. in the Legislature's chambers

Dr. Sydow, President, OCC, gave a Powerpoint presentation (*attachment #1*).

William Emm, CFO, OCC, gave a Powerpoint presentation (*attachment #2*) and highlighted the following:

- Total proposed budget: \$61,540,082, 7% increase over current year \$4,025,932

Revenues

- Tuition increase full time 3.4% -- \$112 to \$3,392
- Tuition increase part time 2.3% --\$3 to \$132/credit hour
- Projected enrollment increase-3% over current - 7,715
- State aid \$2,675 per fte
- Sponsor share increase of \$375,000, 4.4% increase over current

Expenses

- 3 new positions, adjunct and other staff needs \$1,872,000; employee benefit increase \$677,000
- Construction/renovations \$600,000 - Van Duyn properties
- Insurance, maintenance, IT, etc. make up balance -
- Total Expense increase \$4,025,932

Budget Cuts

- Near \$6 million cut from initial budget draft
- 26 positions cut and benefits
- Equipment (\$1.45 million), technology (\$1.5 million), supplies, etc.

In answer to Mrs. Rapp about the \$1.8 million (slide #3), Mr. Emm said that it is not for solely 3 positions; it is also overtime, increased adjunct salaries, and temporary employees. Mrs. Rapp asked why is construction/renovation on the operating side. Mr. Emm explained that these are operating dollars. In the \$68.4 million there are no monies lined out for the Van Duyn projects. It will be paid out of operating at this point, as basic repairs are needed for such things as windows and doors.

Mr. Warner referred to funding sources--the State puts in 33% of the budget. Is there a rule or guideline that governs the amount that participants put in. Dr. Sydow said that within State Education Law there is language that speaks to the State being responsible for 40% for full opportunity colleges, which OCC is. The County is supposed to be at 26.7%, with the assumption that tuition and fees make up the rest of the revenue. Mr. Warner said that the County is putting in 14% and asked if the State has an opinion on that. Dr. Sydow did not know if the State has taken a stand on it.

Mr. Stanczyk asked to be provided with further breakdown/detail of the 7% increase. He asked about flat State aid--in previous years there was more received per FTE. Dr. Sydow said that it was a tough budget year in Albany. Community colleges fared very well by comparison to State operated campuses, which had to take major cuts. Mr. Stanczyk said that money is received based on the 3-year rolling average and asked if it is going up. Dr. Sydow said that it is. Mr. Emm said that as they build their budget for 2008/2009, if the FTE amount comes is less than budgeted for, then the 3-year average can be used. If it comes in for more, then they get the actual. Mr. Stanczyk said that the FTE is increasing; he asked for the formula derived for tuition increase, full time, part time, how much is derived from the increase anticipated in FTE's, how much more State aid will be received. Mr. Emm said that the FTE amount is about \$1.6 million.

Mr. Kinne said that there has been a spike in college-age students; how does it compare to other institution's and has it been considered in future planning. Dr. Sydow said that residence halls have made a big difference in stabilizing enrollment; they are strategic in trying to attract different populations. Regarding the peak, many are not coming in as just out of high school graduates, they serve a number of working adults; programs appeal to individuals who are pursuing a 2nd or 3rd career. Also, they are seeing enrollment growth in areas such as concurrent enrollments--students still in high school and are enrolled both in school and college. The program has increased in popularity; families save a lot of money because their child is able to accumulate college credit while in high school. The enrollment numbers are studied all of the time and they target efforts towards assuring that the college is accessible to the citizens that need it. OCC, and most community colleges, do not have fresh high school graduates as their primary target.

Mrs. Rapp said that the County Executive has proposed a lesser increase of about \$90,000 and asked if it were accepted, where would the change come from. Dr. Sydow said that they have worked hard to balance the budget and did so by not hiring additional personnel who are needed. They are a growing campus and the FT/PT ratio is going in the wrong direction. They have to hire more adjunct faculty to cover classes. It is not good, as they want to retain a sterling reputation of excellence in their academic programs. Full time faculty is needed to continue that. To meet the numbers, they would have to cut an additional thing that is already lean.

Mr. Stott referred to the \$120,000 increase to utilities and discussed the green initiative in the community. He asked if there has been discussion about being more self, energy sufficient with the possibility of using windmills, etc. Dr. Sydow said that they received a \$700,000 competitive State grant last year; it was specifically designed to allow OCC to develop curricula programs to prepare people for green collar jobs. Students in the architectural/engineering technologies program are learning to install windmills. Over time OCC will reap the benefits of having alternative energy sources, i.e. wind. They are currently working to develop a sustainability plan for the campus and continue to seek additional funding. They have a \$1.5 million grant application out now, which would allow the purchase of more wind turbines and other efficiencies.

Mr. Lesniak referred to the 7,717 FTEs and asked what amount is from Onondaga County. Mr. Emm said that he would provide it for him; Dr. Sydow said it ranges between 85%-90% from Onondaga Co. Mr. Lesniak asked for the number of applicants vs. the number of people that are accepted. Dr. Sydow said that they are mandated by law to accept anyone with a high school diploma, GED, or equivalent. There are 40% more applications at this time than there were last year. OCC has many students in

developmental studies that are not quite ready for college level work-they are getting their skills built up so that they can get into a program.

Mr. Kilmartin said that he will be making a motion to amend the existing proposal to fully support the \$375,000 request from Dr. Sydow. He has worked closely from Dr. Sydow and her administration. There has to be justification, financially, for all of the increased funding and OCC administration has delivered that. He referred to pg. 7 of Dr. Sydow's presentation, which shows that enrollment has skyrocketed at OCC. The County contribution has remained flat; OCC has done a very good job of providing an outstanding product at a time when inflation has increased approximately 27% over a span of 10 years. The County contribution is only at 18% for the same period of time. The college found a way to operate lower than the cost of the CPI increases, at a time when the County contribution was about half of the CPI increase. There is an opportunity for the legislature to do something extremely positive. Incremental funding for OCC; 4.4% this year (only 2.2% when considering that it was flat for the prior year) is a good investment in a population that we want to see grow.

Chairman Rhinehart said that the resolution on the table, presented by the Executive side, is a 3.4% increase over last year's County contribution. The increase is the same percentage that tuition will be raised.

A motion was made by Mr. Rhinehart to Adopt the Annual Budget for Onondaga Community College for the Fiscal Year September 1, 2008 to August 31, 2009, Accepting the 2008-2014 Capital Program and Authorizing the County Executive to enter into Contracts with Other Governmental Units in which Appropriations and Revenues are Approved by the Adoption of the 2009 Budget, second by Mr. Kraft.

A motion was made by Mr. Kilmartin to amend the resolution with an increase of \$375,000, seconded by Mr. Kinne; (Amendment No. 1 to Resolution No.).

Mr. Kraft noted that he has always been supportive of OCC, but there is talk in the country of a recession and encouraged the committee to support the original resolution. This fall there will be 40 departments presenting budgets; they will all have a story. If the legislature concedes to every one of them, there will be a mess. If conceded today, we will start down a road that we can't sustain.

Mr. Warner said that he has always strongly supported the College. The State puts in 33%; the recommendation for the County is 26%, but is putting in 14%. The College is meant for students that do not have the financial resources to go to the big colleges. If we continue to drive up the cost of the students, it defeats some of the purpose. He supports the amendment.

**Legislators Stanczyk, DeMore, and Stott left the meeting to attend the Planning & Economic Development Committee meeting.*

Mr. Kilmartin said that each department will have to be looked at in full context--not only budget, but also history. It is difficult to ask an entity to tighten their belt each and every year and then when difficult economic times come, we try to impose upon them further. There has been at least 7 times over 10 years where funding from the County to OCC remained flat. When looking for the request for this year, the history is important.

A vote was taken on the amendment by the Ways and Means Committee. AYES: 5 (Rapp, Holmquist, Kilmartin, Warner, Kinne); NOES: 2 (Rhinehart, Kraft). MOTION CARRIED.

***Legislator Rapp left the meeting to attend the Planning and Economic Development Committee meeting.*

A motion was made by Mr. Kilmartin, seconded by Mr. Kinne, to approve the resolution as amended. AYES: 5 (Rhinehart, Holmquist, Warner, Kinne, Kilmartin); NOES: 1; ABSTAINED: 1 (Kraft). CARRIED.

Chairman Rhinehart said that the resolution will move to the June 3rd session.

CAPITAL PROJECT PRESENTATION

Bob Joy, Architect, who prepared the master plan gave a power point presentation (*attachment #3*).

Ron Williams, President, Herkimer Community College, spoke and referred to Wehrum Stadium on the Herkimer County Community College campus. He noted the events that were hosted in the stadium within the last year. It has a synthetic field, which allows athletic events to be held early. The field, attached snack bar, and seating, provides numerous high school activities. It is common practice to recruit using the stadium, enhancing enrollment growth. There is a great amount of community involvement in the stadium. When a national championship is brought in, thousands of dollars are spent in the community. It is a great economic motivator. It is a \$3-\$4 million project that pays big revenue in return.

Mr. Joy said that recently there have been concerns about synthetic fields; he checked with the State University Construction Fund last week and they are waiting to see what the Consumer Product Safety Commission says. With a properly designed field, there should not be a significant issue with newer materials.

John Rathbun, Dir., Sports Development, Chamber of Commerce, said that he is responsible for attracting athletic events to the Syracuse area. Right now we do not have the facilities. Manley Field House will close in 2009--all events being held there now will be displaced. There are a number of school athletic directors are in attendance today to support the need for facilities. The lack of facilities has affected professional groups that used to be here (Salty Dogs, Syracuse Sting, Syracuse Express). Collegiate events are longer being held here; social groups are no longer able to hold their events here. To stay in the sports industry and compete with other cities of our size, something needs to be done to increase facilities; he supports OCC its initiatives.

Donald Mawhinney, thanked Chairman Meyer, and the legislature for all that they have accomplished. He has 47 years on the OCC Board and appreciates what the County of Onondaga does. He knows that the legislature shares his pride in OCC and it's faculty.

Chairman Rhinehart said this item was meant as information and will be taken up at upcoming sessions.

The meeting was adjourned at 11:20 a.m.

Respectfully submitted,

DEBORAH L. MATURO, Clerk
Onondaga County Legislature

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PLANNING & ECONOMIC DEVELOPMENT COMMITTEE - May 12, 2008
CASEY E. JORDAN, CHAIRMAN

MEMBERS PRESENT: Mr. DeMore, Mr. Stott^{2,3}, Mrs. Rapp⁴, Mr. Rhinehart¹, Mr. Stanczyk, Ms. Williams
ALSO PRESENT: *see attached list (attachment 1)*

Chairman Jordan called the meeting to order at 11:12 a.m.

A motion was made by Mr. Stanczyk, seconded by Mr. Stott to waive the reading of the minutes; MOTION CARRIED; a motion was made by Mr. Stott, seconded by Ms. Williams to approve the minutes; MOTION CARRIED.

1. SYRACUSE TECHNOLOGY GARDEN:

¹ Mr. Stanczyk left the room.

a. Overview - Paul Brooks

Mr. Brooks said this incubator for high tech businesses is just over three years old; County was instrumental in getting them \$1million to start the facility. They now have 26 high tech startup or technology enabled businesses, 88 employees with payroll in the neighborhood of \$4.5 million. The companies probably wouldn't be located downtown if it weren't for the facility and the value of the Technology Garden which includes counseling for startups, assistance in developing their business plans, guidance from their entrepreneurs and residents and use of the facility. Facility is about 76% occupied, have about 4,000 square feet of space left.

Mr. Jordan asked if there are any financial resources available for tech companies interested in locating at the facility. Mr. Brooks said tech companies have access to the capital networks that they operate in; any entrepreneurs who come in would be connected to the right capital sources. Mr. Jordan asked if any of the companies are involved in green technology. Mr. Brooks said they have one that is a data based marketing firm targeting green consumers; they would like to find more green technology companies.

In answer to Mr. Stott, Mr. Brooks said for admission at the Tech Garden, the company has to be an LLC or corporate entity, has to have an organized business plan, a management team in place, then it goes before an admissions committee. They are about to put a new program in place that will assist emerging technology businesses that are in the million to ten million dollar range.

2. OCIDA:

a. Confirming reappointment to the Onondaga County Industrial Development Agency (Mr. Towsley)

A motion was made by Mrs. Rapp, seconded by Mr. Stott to approve this item. A vote was taken and passed unanimously; MOTION CARRIED.

3. COMMUNITY DEVELOPMENT: Ms. Nina Andon-McLane, Admin. Planning & Funding Coord.

Item b. was discussed first.

b. Authorizing the Onondaga County Executive to file the 2008 Action Plan for the Community Development Block Grant, Home Grant, American Dream Downpayment Initiative and Emergency Shelter Grant Programs (\$4,357,514).

Ms. Andon-McLane distributed a packet regarding the 2008 Budget for the Community Development Grant, CDBG Float Loan, Home Grant, American Dream Downpayment and Emergency Shelter Grant Community Development Budget and reviewed the budget details listed on the first page (*attachment 2*).

Mr. Stott asked if there is a mechanism in place for situations regarding predatory lending. Ms. Andon-McLane said the Fair Housing Counsel would look into it to see if the person has been discriminated against.

Mr. DeMore said that he sits on two committees connected with the grant funding, complimented Ms. Andon-McLane on the great job that the department does.

Ms. Rapp asked about the Communitree Project. Ms. Andon-McLane said it is for low-income areas, municipalities contact them or Cooperative Extension or Cooperative Extension might approach the municipality.

² *Mrs. Rapp left the room.*

Ms. Williams mentioned families with disabilities in need of modifications to their homes and asked how they are approved. Ms. Andon-McLane said for accessibility and modifications to houses, the families contact their office directly for an application; it is based on income, renters are also eligible as long as the landlord signs a document allowing the modifications; they do ramps and bathroom modifications about every three months. If a person is not able to come out of the home, they will send someone to the home to have the application filled out. They also have another grant to assist people who are in nursing homes to make necessary modifications to their homes in order for them to be able to return to their homes.

A motion was made by Mr. DeMore, seconded by Mr. Stott to approve this item. A vote was taken and passed unanimously; MOTION CARRIED.

a. Amending the 2008 County Budget to accept additional 2007/2008 Community Development Funds and authorizing the County Executive to enter into contracts to implement this resolution (\$19,371)

³ *Mrs. Rapp returned to the meeting.*

Ms. Andon-McLane said the combined 2007 grant amounts were \$19,000 higher than amounts in the Budget.

A motion was made by Mr. DeMore, seconded by Ms. Williams to approve this item. A vote was taken and passed unanimously; MOTION CARRIED.

Mrs. Rapp requested to have her affirmative vote recorded for item 3.b.

4. ECONOMIC DEVELOPMENT: Mr. Kim Hall

a. A Local Law designating a regionally significant project within the Onondaga County Empire Zone

Mr. Hall said this company would create 115 new jobs, it would be a \$56 million capital investment (\$31 million for building construction, \$19.2 million for equipment and \$4.6 million for site work); will build a 240,000 sq. ft. manufacturing facility on a 52 acre parcel in the Town of Lysander in the Radisson Corporate Park. Jobs will be created over 3 years; there will be about 90 manufacturing jobs (will start between \$12 and \$14 per hr.) and 25 management jobs (starting around \$60 thousand a year), plus benefits. Company will manufacture drywall that is 90% more energy efficient than current drywall - qualifies it for a green project.

Mr. Jordan mentioned that with a regionally significant project there is a cost benefit analysis that normally has to be 20 to 1 (for every dollar invested, a \$20 dollar return), in this situation, it is 16 to 1, but it also fits other criteria for being a regionally significant project. Mr. Hall said it meets the criteria for a target business because it is manufacturing and will create 50 or more new jobs; this does not count against the 1,280 acres that comprise our Empire Zone.

Mr. Stott asked about the routes that trucks would be taking, as the Village of Liverpool experiences a significant amount of traffic right now, wants to make sure they can be accommodated in a safe, convenient way, that will not to increase their costs significantly. Mr. Hall will ask the company for an update regarding this.

In answer to Mrs. Rapp, Mr. Hall said the state has made a decision to approve both the company's Empire State Development assistance and the Empire Zone assistance; company is talking about breaking ground in June of 2008 and completing construction by December. Mrs. Rapp said she understands they want a PILOT, if that were not to happen, would that derail the project. Mr. Hall said it may, but from his communication with the company he thinks they are ready to move forward.

A motion was made by Mrs. Rapp, seconded by Mr. DeMore to approve this item. A vote was taken and passed unanimously; MOTION CARRIED.

⁴ *Mr. Rhinehart arrived at the meeting.*

4. MANAGEMENT & BUDGET:

a. Convention Center Hotel - Informational

Mr. Mareane introduced Jim McKenna, Construction Manager for Wilmorite, Inc.; Ronald Cocquyt, Vice President Wilmorite, Inc.; Kevin McAuliffe, Hiscock & Barclay - Local Counsel for Wilmorite and others on the negotiating team - David Herkala, Ann Rooney, Ed Kochian.

⁵ *Mr. Stanczyk returned.*

Mr. Mareane said we are at the crossroads in the life of this project, the plan to be discussed today will allow this project to go forward within a few months, to get a premier hotel with 356 rooms for the community, downtown and the Convention Center. A Power Point regarding the financial plan for the Westin Convention Center Hotel was presented (*Attachment 3*). Mr. Mareane said they would be asking for the Legislature's approval at the June Session.

In answer to Mr. Jordan, Mr. Mareane said the \$20 million loss of convention business was calculated back in 2004. Mr. Holder said they called it lost business in the past based on not having a hotel property, now starting to call it potential business, numbers are staggering - hundreds of millions of dollars that are going elsewhere right now.

Mr. Stanczyk said we need a hotel, supports a hotel, his problem is with the Power Point slide concerning Other Business Terms that locks the County out of participation in the equity on the sale if things go well, basically giving the developer the right to call our interest and to cash us out at par. Mr. Stanczyk said unless the hotel is sold within 24 months, there is no way for the County to participate other than getting back our principal. Mr. Mareane said their goal is to facilitate the project - get in, accomplish the mission and get out. The County will get everything that is owed to us; if there is a sale within 13 months of that transaction, Wilmot will have the same rights they we do, during that 13 month window after a sale the county would get the same proportion (8%); if there is a quick sale, County would get their proportioned share of the excess amounts. Mr. Stanczyk noted that over time the value should increase, room occupancy should ramp up and debt will have been paid down; if they sell after 24 months, we are out and they are creating an upside; If the slide said 13 years and 24 years instead of 13 months and 24 months than that would have preserved the right of the County to participate in the upside. Mr. Kochian said it's the time period after the buyout, it could be ten, fifteen years down the road, and then this kicks in after that. Mr. Mareane said is conceivable that there could be a period of time when the County could be getting \$800,000 a year and the Wilmot side of the partnership is taking all the risk and is getting nothing. Mr. Mareane said part of our reward is that we have preferential rights on cash, we want to cover our equity; they will get exactly what we get - their equity plus any deferred returns; regarding the balance, the county gets a third of the windfall of that sale. During the 13-month period, the county would get the full benefit, beyond that the county would get 10 percent. Mr. Cocquyt said they are taking a certain amount of risk in this deal, trying to structure an 8 percent return to the County to avoid that risk, provision for the 13 month or the 24 month provision was simply to prevent them coming in and shorting the County out of proceeds of the sale if things did go well. In order to protect the County's \$10 million and Wilmot's \$10 million, Wilmot has to make the cash call to make sure the project is brought in on budget and there are no cost overruns or has to keep the facility operating in the early years if some kind of a shortfall.

Mr. DeMore asked where the County's \$10 million comes from. Mr. Mareane replied that the money would come from fund balance and be invested in IDA bonds. Mr. DeMore said if there was a foreclosure or short sale there wouldn't be money left over and the County would be out. In answer to Mr. DeMore, Mr. Cocquyt said it would be a three-year construction loan with the ability to extend it to one more year, would start construction between 4 to 6 weeks after approval.

Concerning ROT, Mr. Stott asked how the County would control showing favoritism to this hotel over others because we have an interest. Mr. Mareane said they hope the hotel generates a lot of ROT. Mr. Kochian said we will have 365 rooms, there will be 280 max for purposes of promoting meetings and conventions in the Oncenter because they will have to have ongoing regular business; it is rare that a convention only takes 280 rooms, most of the time it would spill over to all the other properties. Greater Syracuse Hospitality and Tourism Association has been a strong supporter of this project; the \$1 million plus that the Convention and Visitors Bureau gets each year is used to promote tourism and business throughout Onondaga County, not just the Convention Center. Mr. Holder said their job is to put together a marketing plan that includes every player out there, the minute they start showing perceived favoritism for one property, they would hear about it; their programs benefit everyone.

Mr. Rhinehart said the last time the financing package was brought to the Legislature, they were told the developer would be responsible for any increased construction costs, now being asked for more money. Mr. Mareane explained that the overall cost of the project has gone up from \$73 million to \$93 million, developer has stepped up to the tune of an additional \$10 million and the bank loan is \$10 million higher than it was. The developer has said that the \$10 million in equity and the personal guarantee behind \$50 million construction loan is what they can do to make this project happen, without the County filling the gap, he doesn't think the project would go forward.

Mr. Stanczyk said the hotel would be worth \$93 million, have \$58 million in debt, \$35 million in equity (\$10 million from developer, \$15 million from state and \$10 million from county). Mr. McAuliffe replied that he doesn't think in this market that you really have \$93 million in value on day one, commitment is long term to get it to \$93 million; just because it costs that amount day one doesn't mean it has fair market value day two; Westin has budgeted \$2.4 million in pre-opening expenses and will have people on staff a year before the hotel is open, they won't get that money back for a long time, to get the value to \$93 million will take a great deal of coordination and work between Westin and Convention Center hotel people. In answer to Mr. Stanczyk, Mr. McAuliffe said the construction period loan is three years, plus one; it is normal to give a construction period loan and some time after completion to get towards stabilization. Mr. Stanczyk asked what is rate of return they think they will be able to do on refinancing; Mr. Cocquyt said they couldn't predict four years out what it will be. Mr. Stanczyk noted that the greatest portion of the risk is in the first four years between now and when they get permanent financing in place, asked Mr. Mareane to run through some scenarios regarding the County's interest. Mr. Mareane said it is on the slide titled Excess Proceeds of Refinancing, if equity is up \$11 million the County gets \$1 million back right off the top and then shares whatever other resources there are between ourselves and Wilmot, based on respective equity shares at that time. Mr. Stanczyk asked if payments would be made on the construction loan during construction. Mr. McAuliffe said it is capitalized interest. Mr. Cocquyt the capitalized interest is built into the \$50 million construction loan, when you get to the end of completion, should have spent all the money to build the building should have used the interest reserve period from the start of construction to opening date; when they turn the key and get money coming in, would use that to pay debt service on the mortgage from that day forward. Mr. Cocquyt said it is an 18-month construction period with a little window after that for the 3-year construction period, then they have the ability to buy an extra year, if needed, in order to get stabilized income and appraised value of the facility, then would get a new mortgage, wouldn't build this if they didn't think they could refinance it. Mr. Stanczyk said the County is second in line behind the \$50 million financing whether they structure this as a loan or equity, if it is equity, should have some notion of making more than the loan amount that they are paying on the \$50 million. Mr. McAuliffe said once this hotel takes off, the County makes more money outside of it than on the books; doesn't take into account the ROT, sales tax, change in subsidy to the Oncenter that would occur.

Mrs. Rapp mentioned the \$2.4 million Westin is putting in. Mr. McAuliffe said that is their pre-open budget established by Westin pursuant to the two agreements they have with them (operating agreement and the technical service agreement). Ms. Rapp mentioned that Marriott had talked about putting \$1 million into opening market. Mr. McAuliffe said that is what they all do, they all have a national marketing offices and the first thing they do is look at that business that is in New York State and try to steer it to Syracuse, and then identify other business that they could steer here, the more room revenues the bigger their three percent becomes, Westin's goal is unified with the County goal. Mr. Mareane noted that they would bring people in long before it is opened and will have a model room set up in the Convention Center

In answer to Mrs. Rapp, Mr. McAuliffe said one of the attachments with the \$50 million loan indicates that they have to take their list of contractors and provide it to the locals for clarification that they are all union contractors. 95% of those they have already identified are union contractors. All costing and bidding was done last year at which time they were talking to other banks not related to union funds, the correlation between what percentage of this job is done union and the fact that it is an IBEW commitment is accidental. It was already prevailing wage by virtue of the State; that gave the ability for union contractors to be on par with non-union contractors.

The meeting was adjourned at 12:40 p.m.

Respectfully submitted,
Johanna Robb, Deputy Clerk

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PUBLIC SAFETY COMMITTEE MEETING MINUTES - May 13, 2008
CHAIRMAN RICHARD LESNIAK

MEMBERS PRESENT: Mr. Buckel, Mr. Masterpole, Mr. Warner, Mr. DeMore

MEMBERS ABSENT: Mr. Holmquist, Ms. Williams

ALSO PRESENT: Legislators Jordan and Kraft, *see attached list*

Chairman Lesniak called the meeting to order at 9:00 a.m.

A motion was made by Mr. Warner, seconded by Mr. Kraft, to waive the reading and approve the minutes of proceedings of the previous meeting. MOTION CARRIED.

1. SHERIFF: Chief William Peverly; James Rowley, Supervisor, Town of Clay

a. **Amend 2008 County Budget, authorizing an agreement with the Town of Clay for Enhanced Law Enforcement Services, and providing for the transfer of police functions upon abolishment of the Town of Clay Police Department subject to execution of said agreement between the County and the Town**

Chairman Lesniak said that this resolution is pending on the residents of Clay approving the abolishment of the Clay Police

Department. Supervisor. Rowley noted that the referendum vote is June is June 23rd from 12 - 9:00 p.m.; there will be absentee ballots. He read the following statement (*attachment #1*).

Chief Peverly stated that he has worked closely with the Budget Department on this project, and asked Mr. Mareane to provide a summary of the costs.

Mr. Mareane distributed a cost break down (*attachment #2*) and said that this began with the level of deployment that the town wanted to see on the streets of Clay. To sustain levels of deployment in Clay it requires 2 patrols 24/7. To do that there is a need for 13 officers. The town currently has 16 uniformed officers. The uniformed deputies would be offered an opportunity for employment with the Sheriff. There are funded vacancies currently in the Sheriff's Department; 3 positions can go to the Sheriff's Dept. to fill funded vacant positions without affecting the budget at all. Those people are needed on the county roster.

Mr. Mareane highlighted the following

- \$1.252 million personnel costs - includes the salaries, fringes, overtime
- \$16,000 uniforms & equipment, supplies
- Vehicles, maintaining patrol vehicles, fuel expected - included in contract costs
- Town will provide enough patrol cars for all officers that will be on patrol in Clay-giving cars to the County
- Vehicle replacement - on 4 year replacement cycle, \$58,690 annually
- Extensive amount of time & care was given to make sure that: it is a full-cost contract; provides services to the town at appropriate costs; there is no subsidy from other parts of the County to carry the enhanced service
- Adjustments on regular basis for wages, benefits, supplies, fuel, vehicles

Chairman Lesniak asked if the resolution is encompassing the arbitration award. Mr. Mareane said that it will.

Mr. Warner said that this was tried in the Villages of Liverpool and Solvay; most elective officials who supported the program were ousted in the next election. **He would like to have language put in the title that the implementation is based on the public referendum.** Chairman Lesniak agreed.

In answer to Mr. Masterpole, Mr. Rowley said that the effective date is July 1st if the referendum passes on June 23rd. He said that he has pushed this because the quicker he can get a contract in place, the more savings he can pass on to his taxpayers.

Mr. Masterpole said that it is a bad approach to go to the full Legislature on June 3rd. The Legislature should act post June 23rd; the voters should decide what they want first. It is more appropriate for the Legislature to act afterwards. Chairman Lesniak said that this resolution only creates the positions in the event that the referendum is passed. If the Legislature doesn't do it, the police officers could have a gap in service, which would effect their credit in benefits. Mr. Masterpole said that the town has decided it should go to referendum, but questions why would it be allowed to let the legislature "back door" it. Mr. Rowley said that it would be acted on subject to the referendum-it is saying to the voters that it is their choice. If they want it, Legislature is here for them; if they don't want it, there is no problem.

Mr. DeMore asked if there will be a draft of the contract available before the legislature meets. Mr. Mareane said that there would be. Mr. DeMore said that it is important that the Legislature votes in June; the people in Clay need to know that the County is willing to do this, in case they have a question mark in their minds.

Mr. Buckel commended both the County Executive's office and Mr. Rowley on this issue. It is important that the legislature exercise leadership on this issue. This is an example of the seminal issue before our community; not just in merging police, but in merging services. It is an important issue to elected officials to modernize the complete structure of government. Onondaga County competes with jurisdictions across the country and world that have modern, efficient countywide metropolitan police forces, educational forces, and municipal practices, that are lacking here and have cost us in a variety of ways. This should be put front and center and he is willing to do so. He wants to support this because it is the right thing to do. It will strengthen the County and begin a process that will probably be the most important thing that can be done to ensure our long-term prosperity and growth in the community. Mr. Masterpole said that the town board chose a direction to allow the voters to decide. Mr. Buckel said that he is willing to stand behind the voters and willing to do whatever it takes as a county to make this work.

Mr. Warner said that after discussing this at length, he feels it is critical that the voters in Clay have some idea of what the contract is going to be before they vote in a referendum. He said that Clay will no longer maintain its own support staff (detective, youth officer, clerical, etc), and asked if the Sheriff's Dept. will pick up the cost of them. Chief Peverly said it is done with existing staff--they lend that type of support to all town and village agencies now. In answer to Mr. Warner, Clay currently has an officer assigned to do some detective work; he is in a sergeant title. Chief Peverly said that the cost of all of their staffing is included in the contract.

Mr. Jordan said that the language in the resolution indicates that it is the desire of the Legislature to implement whatever is the will of the Clay voters; as determined by the public referendum.

Mr. Kraft said that he and Mr. Jordan are the legislators for the majority of the Town of Clay and are here to support Supervisor James Rowley. The Legislature could say that they don't want to do anything until after the referendum, which would say to the public that the legislature will make the final decision. The alternative is that the bureaucrats get out of the way, do the paperwork first, get things in order. It would say to the taxpayers that everything is in order and it is totally their choice.

Chairman Lesniak said that he understands that most of issues with the Deputy Sheriff's labor agreement have been worked out with Ed Bragg. The town is in discussion with PBA regarding some labor issues.

Mr. Warner asked how the transition will be handled with officers going from a town police to a deputy Sheriffs. Chief Peverly said that they have been working to develop the transition process. Regarding cars, they are making appointments, which are tentative subject to the referendum. They are developing field training program--assigning a field training officer to go to Town of Clay on June 24th if the referendum passes. They will work with the officers until the date that the Sheriff's Dept. takes over. Clay officers have worked with Sheriff's officers on a daily basis; they attend the same police academy, do some of the same in-service training, and attend the same conferences and seminars.

In answer to Mr. Masterpole, Chief Peverly said that the Town of Lysander, Town of Salina, Town of Pompey, and Town of Fabius have enhanced service contracts with the Sheriff's Dept. There is a lot of differences between those and the proposal for Clay. The enhanced service contracts are narrow in scope. However, the towns are paying the full salary and benefits for the officers assigned, the cars, and the office administrative costs. Chairman Lesniak clarified that the proposal is for dedicated officers to Clay; the others are enhanced patrols and could be pulled away from those areas.

Mr. Warner said that several towns don't have anything, just regular State and County patrol. He asked what mandates a town having an enhanced patrol or dedicated patrol; does the issue come up when the residents feel they want more police protection or visibility. Mr. Rowley agreed.

A motion was made by Mr. Warner that this item be approved based on language being inserted in the title that it is based on the outcome of the public referendum, seconded by Mr. DeMore. AYES: 3 (Warner, Buckel, DeMore); NOES: 0; ABSTAINED: 2 (Masterpole, Lesniak). MOTION CARRIED.

2. EMERGENCY COMMUNICATIONS: Sean Sparks

a. **A Local Law authorizing the lease of property located in the Town of Elbridge from Eagle Point Farms, LLC and authorizing a contract for the construction of a communications tower**

b. **A Local Law authorizing the lease of property located in the Town of Lysander from Plainville Christian Church and authorizing a contract for the construction of a communications tower**

c. **Approving Classification of a Type I Action under the State Environmental Quality Review Act; declaring lead agency status; Accepting Long Environmental Assessment Form; and making and declaring a Negative Declaration for the Onon. Co. Interoperable Communications System Project**

Chairman Lesniak made a motion to approve items 2a, 2b, and 2c, seconded by Mr. Warner.

Chair Lesniak said that he contacted the Town of Lysander and Plainville Fire Department, and they are happy with the location. Mr. Warner said that there was a farmland protection plan on the Eagle Point property and asked if that will affect anything. Chairman Lesniak's understanding that this is on non-farmable land.

Mr. Buckel asked if the County started from scratch, would this be the system to go with; Mr. Sparks said that it is.

Passed unanimously; MOTION CARRIED.

3. HUMAN RIGHTS COMMISSION: Jean Smiley; Physical Services Administrator

a. **Confirm appointment of Exec. Dir. of Onon. Co.y/Syr. Commission on Human Rights (Mr. Edwards)**

A motion by Mr. Warner, second by Mr. Masterpole, to approve this item. Passed unanimously; CARRIED.

SHERIFF - INFORMATIONAL - Mrs. Smiley said the County, State, City, and State Troopers have worked closely to develop, with DCJS money, a crime analysis center. They have been established in many large metropolitan areas to look at data as it relates to crime and for the agencies to work more closely together. The State provided funding to establish a center in Syracuse. There will be a contract forthcoming from the State; it may go directly to Ways and Means--wanted to inform this committee first. The Crime Analysis Center is located on the 2nd floor, PSB; it is a joint effort with the State, City, County and State Police. Chief Peverly said that it is part of Operation Impact. In addition to patrols that are out there, there are people on the intelligence side that are working and being consolidated into the Crime Analysis Center. Operation Impact has funded a crime analysis position (salary and benefits); there is no match. Mr. Warner asked if the analysis is just for Onondaga County. Chief Peverly replied that it is, but there are also Crime Analysis Centers being set up in different regions. Agencies are channeling information; there is an interaction on a state-wide basis.

4. SHERIFF: Warren Darby, Undersheriff; Chief William Peverly

a. Informational: Response to Mercy Flight or Air One

Mr. Darby said that the Air 1 program has been involved in County government since the first aviation unit in 1975. The primary mission is for police, enforcement or support, of all ground units within the county. They are primarily a night shift and are available from 4:00 p.m. - 2:00 a.m. The State Police shift, at Hancock, is available in this area primarily on a day shift and serve 12 counties. Air 1 has the ability to support fire, equipped with flare forward infrared, Bambi Bucket (which can dump on hard to reach areas and used to move fire fighters into an area.) The helicopter provide EMS--equipped to do full advanced life support to trauma-type patients. A flight paramedic is staffed as often as possible through a memo of understanding with University Hospital.

There was a complaint from Mercy Flight in response to a call on April 20th; the accident was reported as entrapped and possible impaled. The helicopter was at the heliport staffed with a paramedic and a resident doctor from Upstate, along with the flight crew. They launched, realized that it was in Madison County, near Sullivan Park. Per protocol, they notified the 911 Center, the Clearinghouse, that they were in the air. The Clearing House is an air medical service that keeps track of what air medical service is available. It serves not only Central New York, but also the north country and mid-state. Other air medicals are in Sayre, PA. There is which covers the southern part of the state, but once in a while gets into southern Onondaga County; Mercy Flight Central has a helicopter sometimes in Marcellus, but their main headquarters is in Canandaigua.

Mercy Flight's complaint was that Air 1 jumped their call. There were 3 alleged issues; one of having no authority-dispatched, launched and went to the call, which is done regularly in Onondaga. It is done in trying to keep hours in the air within the hours that have been allowed. It has been reduced considerably from the original hours of 1200 down to a 500 cap; they do about 300-400/year. A lot of extra patrolling is not done, but will launch whenever the ship can be an extra resource to whatever is happening on the ground. The issue of 2 air medicals in an area has been discussed by a committee, which meets on a 3-month basis to work out policies and procedures. If more than one flight in an area, there is a frequency that they can go to and talk ship to ship for safety purposes. Protocol was followed, but they were unable to reach Mercy Flight on the frequency. They ended up getting into the area without any other helicopter there. The medical director has set a policy that says that if they can be of medical assistance to a crash type scene outside of the county, but close, then the Sheriff's Dept. will put people down for assistance. They will not transport unless it is absolutely required because of the health of a patient. The landing zone was cleared, kept trying to contact Mercy Flight; they arrived 17 minutes later after the Sheriff's helicopter. All protocol was followed.

Chairman Lesniak said that in his experience with both fire service and police service, the helicopter is a great asset. Mr. Darby said that it is a tool that deserves to have in Onondaga County.

Mr. Warner asked if the 17 minutes made a difference. Mr. Darby said that during that the individual was trapped and during that 17 minutes the person was still being extricated. The Sheriff's personnel put 2 IV lines in to keep blood pressure up, reduced a fracture, intubated the patient, and then Mercy Flight was there.

Mr. Masterpole said that the Sheriff's Department does not bill for services. Chief Peverly has told him that there is a federal guideline that prohibits it, but he also understands that the City of Syracuse rescue squad was under that same guideline and somehow got around it. Mr. Darby said that the State Police has NAVAC supporting them with flight matters; the Sheriff's Department has WAVES supporting them. The State Police do not bill; but NAVAC does. There was an FAA investigation in the late 90's and they exonerated that process. The Sheriff' Dept. is currently in a lawsuit, placed on Air 1, State Police, regional Counsel and the Air Medical Clearinghouse, on the belief that there was an advisory circular by FAA that said that if there was a commercial air medical service available, they should take the call. The local medical director says that is absolutely correct if they are the closest. If they are not the closest, the best patient care is for the closest available, appropriately staffed. The Sheriff's Dept. has been advised by the Co. Law Dept. that until it is resolved, they are not to change anything with respect to they way they do business. As soon as the case is resolved, they will look again at the possibility of at least billing for the medical parts of the service. Mr. Masterpole said if the County is providing services that someone else is doing and billing equitability; why the County bill the insurance companies. Mr. Darby said that the Sheriff's Dept. flies under part 91 of the FAA rules, Mercy flies under part 135. Under their rules, Mercy flight can't do rescue or the kinds of things that the Sheriff's Dept. does with its ship. Once they start to receive monies, there is a gray area as to whether or not they need to fly under 91 as opposed to 135.

Mr. Masterpole question what happens if the calls go to both Mercy and Air 1 at the same time. Mr. Darby said that the county that has the incident calls to their 911 center, to the clearinghouse, if they are asking for a Medivac. The clearinghouse identifies who is in service and the closest available and notifies that agency of the call.

The meeting was adjourned at 10:15 a.m.

Respectfully submitted,
DEBORAH L. MATURO, Clerk
Onondaga County Legislature

**COUNTY FACILITIES COMMITTEE MINUTES
BERNARD KRAFT, CHAIRMAN, May 13, 2008**

**MEMBERS PRESENT: Mr. Kilmartin, Mr. Lesniak, Mr. Jordan, *Mr. Kinne Mr. Laguzza, Mr. Masterpole
ALSO PRESENT: Mr. Meyer and see attached list (Attachment 1)**

Chairman Kraft called the meeting to order at 11:00 a.m.

A motion was made by Mr. Laguzza, seconded by Mr. Lesniak, to waive the reading of the minutes and to approve the minutes of the proceedings of the previous committee meeting; MOTION CARRIED.

1. PARKS: Mr. Bob Geraci, Commissioner

a. A Local Law to establish boat rental fees at Onondaga Lake Park and amending Local Law No. 15-2004 to increase rental fees at Skyline Lodge and Arrowhead Lodge

Onondaga Lake Park boat rental is a new program; they are asking to set the prices for rowboat and kayak rentals. In answer to Mr. Jordan, Mr. Geraci said rental prices differ between parks - Jamesville and Oneida Shores are rented by the half hour, Onondaga Lake Park will be rented by the hour and Beaver Lake is usually several hours; prices are similar if reduced to a per minute rate.

**Mr. Kinne arrived at the meeting.*

A motion was made by Mr. Laguzza, seconded by Mr. Masterpole to approve this item. A vote was taken; AYES: 6; Noes: 0; Abstaining: 1 (Mr. Kinne)

Mr. Geraci requested to address Items 1.b and c together, expressed appreciation of the Friends of the Zoo for their funding appeal.

b. Authorizing the Department of Parks and Recreation to accept the donation of an ultrasound machine for the Rosamond Gifford Zoo (\$26,000)

Mr. Lesniak asked if this is a replacement. Mr. Doyle said their old ultrasound machine broke down a while ago. The new machine is state-of-the-art and will be good for 15 years plus.

A motion was made by Mr. Kinne, seconded by Mr. Masterpole to approve item 1b. A vote was taken on this item and passed unanimously; MOTION CARRIED.

d. Authorizing the Department of Parks and Recreation to accept the donation of courtyard furniture for the Rosamond Gifford Zoo (\$30,000)

Mr. Kraft asked about the Harder Foundation. Ms. Agostini said the foundation benefits the Rosamond Gifford Zoo and the Salvation Army, was established by Mr. Harder who was from this area and is now deceased. In answer to Mr. Masterpole, Mr. Doyle said the original furniture has been used since they reopened the zoo, it will be recycled.

A motion was made by Mr. Lesniak, seconded by Mr. Jordan to approve this item. A vote was taken and passed unanimously; MOTION CARRIED.

Mr. Kinne asked about a letter he received concerning the elephants. Mr. Doyle said they received a letter from the New York State Department of Environmental Conservation (DEC) clarifying the conditions of their license, letter stated that there should be no elephant rides or direct contact between the public and the elephants. Mr. Doyle and Mr. Geraci have sent an informational letter to the local state legislators and the County Executive has sent a letter to DEC Commissioner Grannis asking for this ruling to be rescinded.

Mr. Masterpole suggested a memorializing resolution stating the Legislature's desire for the DEC to reconsider its ruling. Mr. Doyle said this relates to all endangered species covered under the DEC license, affects more than the elephants, they will have to move the birds from the aviary, will no longer be able to take their golden condor to bird shows. In their letter to the state representatives, Mr. Doyle said they pointed out that they have been doing their interactive programming for over 30 years without incident; it is a major draw and an educational opportunity.

Mr. Geraci hopes that the momentum will overturn the ruling; thinks decision was arrived at in a very arbitrary way with no science behind it and with no public comment. Mr. Geraci added that they stopped elephant rides 18 years ago; this just involves supervised petting of the elephants. Mr. Doyle said this interaction is regulated strictly - United States Department of Agriculture (USDA) allows interactive programs and the Association of Zoos and Aquariums (AZA) approves of it. Mr. Lesniak requested to be a co-sponsor of the resolution. Ms. Smiley advised that discussions with the State contingent would also be helpful. Mr. Lesniak suggested sending the resolution to the DEC commissioner and to our local state representatives.

Mr. Laguzza asked if anyone has talked to the DEC commissioner directly. Mr. Doyle said he talked with Patrick Martin who thinks this is the right thing to do; he said the commissioner supports his decision.

Mr. Lesniak suggested that guidelines from AZA and USDA be included in the resolution. Mr. Lesniak mentioned the proposed expansion for the elephants at the zoo and suggested including the amount of dollars already approved; the County and the taxpayers have already spent dollars to insure this program.

Mr. Laguzza suggested voting on the resolution supporting the program at the zoo in concept. Ms. Tarolli said with general consent, the committee could waive the rules to not have it in writing. Mr. Kraft asked if there was an objection to the vote in concept; there was none.

A motion was made by Mr. Lesniak, seconded by Mr. Masterpole to approve a resolution in concept to request the DEC to reconsider its rule prohibiting supervised contact between the public and the elephants and to allow them to continue with the current program; a vote was taken and passed unanimously; MOTION CARRIED.

c. Amending the 2008 County Budget to provide funding for a forest management plan and timber cut services with proceeds from the sale of forest products (\$50,000)

Mr. Geraci reviewed that a Forest Management survey was done in 1998 found that there was \$1.5 million of marketable timber at Highland Forest without the potential of degrading the forest. The Parks for Tomorrow 1 plan of 2001 proposed to use timber proceeds to help pay off Skyline Lodge. Since then, they have paid off almost half of the amount (\$723,000) from forest management. Mr. Geraci is now proposing to update the forest management plan, an RFP was done, company is one of the best in the state; they will survey the park and will also be on retainer as a consultant to help manage future cuts; they are doing this for good forest management to make sure the park lasts indefinitely for future generations.

Mr. Kraft asked about the cost of the plan. Mr. Geraci said the \$29,324 to survey the 2,900 acre property and to come up with a forest management plan will take into account not only what is growing but all the trails and the recreational use, the remainder of the \$50,000 from the timber sale would be used to pay the company to mark and oversee the cutting, amount could be less, won't be more, will depend on the value of the timber when they go to market and the size of the area they cut.

In answer to Mr. Laguzza, Mr. Geraci said it is the same company that surveyed the property ten years ago, but people are different, the technology that they are bringing to the table didn't exist ten years ago (GPS, etc), it will be an interactive computer database management plan.

A motion was made by Mr. Laguzza, seconded by Mr. Kinne to approve this item.

Mr. Lesniak asked if they would cut just enough to cover the \$50,000 this year. Mr. Geraci said it was his recommendation to go in with just this cut; based upon what the company tells them in terms of their forest management expertise, possibly could plan another cut.

Mr. Kraft requested information regarding the gross and net for the past five years regarding cuttings.

A vote was taken on this item and passed unanimously; MOTION CARRIED.

e. Informational: Update on 2008 Bass Tour

Mr. Geraci introduced Mr. Rathbun, Sports Development Director with the CVB, explained that CVB has partnered with the Parks Department for all of the Bass Tour programs that have been held at Oneida Shores and Onondaga Lake Park. The Elite Tour will be held at Oneida Shores this summer; the Junior Bass Fishing Program recently adopted Syracuse as their venue on the same weekend, they will fish on Onondaga Lake. Mr. Rathbun said there are three national events coming to Onondaga Lake this summer - Watercross Event, Power Boats and the Junior World Bass Championship. After the Bass tournament last summer, Onondaga Lake was voted one of the top ten fisheries in the United States by Bass National Magazine; only way to change people's perception of the lake is by bringing more and more national events here. Mr. Geraci noted that they did not spend all of the ROT money appropriated for the event last year (\$28,000); costs have increased for this year's event due to the Junior Championship; they are requesting to use that money in addition to the \$73,000 allocated for this year. Mr. Geraci distributed the 2008 Elite Budget for 2008.

Mr. Laguzza asked why there was money left over. Mr. Geraci said the tournament officials changed the location of the weigh-in from the Oncenter to Onondaga Lake Park at the last minute; because of the displacement, the bid fee was waived.

Mr. Kraft asked about the Third Party Expenses listed in the budget. Mr. Rathbun said that is the CVB's responsibility; according to the contract with the organization certain amenities have to be offered, such as hotel rooms for staff of the Bass Elite and ESPN crew (comes out to half of the rooms they will use). Mr. Rathbun said the original bid fee was \$100,000; he negotiated it down to \$25,000 plus the hotel expenses.

Mr. Kraft noted that a vote on this item would not be required.

2. VETERANS SERVICE AGENCY:

a. Confirming the appointment of Robert W. McLean as Director of the Veterans Service Agency

Ms. Smiley introduced Robert McLean and said he comes to the County with a great deal of experience; he is a retired U.S. Marine Corps Lieutenant Colonel.

A motion was made by Mr. Masterpole, seconded by Mr. Lesniak to approve this item. A vote was taken and passed unanimously; MOTION CARRIED.

3. ONCENTER:

a. Fire System Project - Informational: Mr. Joe Mareane, Mr. Eric Schuster, V.P. of Facilities & Operations

Mr. Mareane said they are proposing to fund this with Room Occupancy Tax (ROT) surplus, believes this is the most appropriate way to finance this project. Mr. Mareane distributed information regarding ROT reserves - Contingency and Prior Years. Mr. Mareane said they currently have \$1,051,967 in that account, \$325,000 would be applied to this project.

Mr. Kinne noted that this is a necessity, asked why it is being taken from this account. Mr. Mareane said the War Memorial is a convention facility and we support convention operation through ROT; this is an appropriate use of this money for an extraordinary situation that has to be addressed, other option would be to tap into the County's general fund.

Mr. Kilmartin asked if there was a recent inspection that gave rise to this. Mr. Schuster said it has been an ongoing issue for the past few years, manufacturer of the system that is now in place is no longer in existence, parts and pieces are hard to come by, they are at a point where they need to do something.

Mr. Laguzza asked if they have a warrantee and maintenance agreement. Mr. Schuster said warrantee on parts is usually a year, they can negotiate labor, will put in an annual inspection.

Mr. Lesniak asked if this would be ringing into the Oncenter security or to Syracuse Fire Department. Mr. Schuster said by law they are connected directly to the Syracuse Fire Department, will also ring into security.

A motion was made by Mr. Laguzza, seconded by Mr. Masterpole to approve this item. A vote was taken and passed unanimously; MOTION CARRIED.

The meeting was adjourned at 11:52 a.m.

Respectfully submitted,
Johanna H. Robb, Deputy Clerk

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HEALTH COMMITTEE MINUTES - May 14, 2008

ROBERT D. WARNER, CHAIRMAN

MEMBERS PRESENT: *Mr. Laguzza, Mr. Lesniak, Mrs. Rapp, Mr. Buckel, Mr. Kilmartin

MEMBERS ABSENT: Ms. Winslow

ALSO PRESENT: Mr. Meyer and see attached list (*Attachment 1*)

Chairman Warner called the meeting to order at 9:12 a.m.

A motion was made by Mr. Lesniak, seconded by Mr. Buckel to waive the reading of the minutes and approve the minutes of the proceedings of the previous committee meeting; MOTION CARRIED.

1. HEALTH: Ms. Linda Karmen, Deputy Commissioner

a. Abolish Assistant Nursing Director (Community Health Service), Grade 33 @ \$53,904 - \$75,998 effective June 14, 2008.; Create Director of Operations, Grade 33 @ \$53,904 - \$75,998 effective June 14, 2008; Abolish Driver-Messenger, Grade 4 @ \$25,909 - \$28,597 effective June 7, 2008; Create Stock Clerk, Grade 4 @ \$25,909 - \$28,597 effective June 7, 2008.

Ms. Karmen distributed information regarding job specifications for the two positions to be created (*on file with Clerk*). Ms. Karmen said the Assistant Nursing Director in the Bureau of Health Promotion and Disease Prevention is currently vacant; feels Director of Operations would be more appropriate title. There are a large number of grant programs within the Health Promotion program and less of those are nursing related, a physician in the Health Department will supervise nurses that are still on staff. Director of Operations would oversee the operation pieces of the grant programs.

In answer to Mr. Laguzza, Ms. Karmen said the position has been vacant about four weeks, individual transferred to Correctional Health. In answer to Mrs. Rapp, Ms. Karmen said it is not a fully funded grant position.

Regarding abolishing the Driver-Messenger position that is currently vacant, Ms. Karmen said they do not have as much of a need for that position as they do for a Stock Clerk, person would be receiving maintaining orders, passing on requisitions, distributing the inventory that comes in and tracking it. Ms. Karmen added that both of the changes would be cost neutral. Facilities Management is now doing more of their messenger service, such as moving of supplies for their WIC clinics.

A motion was made by Mr. Warner, seconded by Mrs. Rapp to approve this item; a vote was taken and passed unanimously; MOTION CARRIED.

Chairman Warner took the agenda out of order.

3. MENTAL HEALTH: Ms. Ann Rooney, Admin. Human Services; Mr. Marc Heatley, CSEA

a. Abolish Student Assistance Counselors (12), Grade 12 @ \$46,868 - \$51,884 effective June 30, 2008. Abolish Student Assistance Program Supervisor, Grade 13 @ \$51,913 - \$57,490 effective June 30, 2008; Abolish Program Director-Student Assistance Program, Grade 35 @ \$64,753 - \$91,357 effective June 30, 2008.

Mr. Warner noted that a public hearing regarding the possible discontinuation of the operation of the Student Assistance Program (SAP) by the County was held the night before and was well attended. Mr. Warner said this issue could have been averted had the union and management worked a little harder before this got to this point.

Ms. Rooney said they would like to pull the legislation and continue negotiations with the union; there are several concrete things that they have been discussing for the past two weeks.

Mr. Heatley said it is their preference not to have the black cloud of privatization over their head in order to have these conversations. Requested meetings with the County Executive's office to see what they could do about this issue. They have been discussing the following:

- 1) Flexibility in pre-employment hiring, schools have been telling them they can't get acceptable candidates off the competitive list. One resolution would be to change the test or change the jurisdictional class from competitive to noncompetitive with current employees grandfathered.
- 2) There is an outstanding health insurance grievance at the arbitration level, seems there is a renewed energy to settle the issue.
- 3) Particular employee who is out on a long-term administrative leave, thinks there is a framework to get that person back working.
- 4) There is an existing framework under the contract to deal with performance issues and concerns, if it doesn't rise to the level of discipline, that doesn't mean there isn't an opportunity to address concerns with the employees and the schools.

Ms. Rooney said the discussions have been constructive, have taken great strides to address this with the unusual framework of county employees in the schools funded by state, local and education, hopefully they can work out a framework that allows the program to continue. They at no point thought there was any problem with the current counselors, was never about the professionalism or capabilities of the current staff, more about how the program is modeled, how they can work within that framework of all the competing entities to move this forward.

Mrs. Rapp noted that this issue was brought up because the framework was restricting the opportunity of being able to reach as many children in the need as possible, thinks they should go into these talks with that thought in mind.

Mr. Laguzza said the program has always been credible and an asset to the community; he respects the program even more now that he has learned more about the licensing and what the counselors do. Mr. Laguzza does not want the Legislature used to push the envelope to resolve a problem. Ms. Rooney said there is a lot going on between the County and CSEA and the lack of a contract, never intended to use the Legislature, it was never an indictment of the employees, never an abolishment of the program, it was just using a different model.

Mr. Buckel said management knows the civil service laws in advance, knows the CSEA contract in advance; it is management's responsibility to work within the framework to make it the best managed program possible, he would like to advance a partnership mentality more than a negotiating mentality. Mr. Buckel would like to see more performance appraisals done for this and other programs - a process where the stakeholders, including employees, union and the schools, in this case, are partners in jointly assessing it. Ms. Rooney said they have talked about having more regular meetings with school officials, county officials and employees.

Mr. Heatley said they are always willing to sit down and look at proposals and continue discussions, didn't know about the pre and post-employment flexibility until they started conversations, they came up with ideas on how to resolve it.

Mr. Kilmartin asked if the negotiations are to the point of continuing this program as part of County government or transitioning it to the private side. Ms. Rooney said they are talking about maintaining the current positions within the County as long as it can fit within the framework they need and focuses on the children and servicing as many as they can with the amount of money they are constricted by. Mr. Kilmartin noted the issues regarding counselors, the number of schools that have dropped out over time and that Onondaga County is the only county in the state that operates in this model and asked how they are being addressed. Ms. Rooney they could have another school in service if they solve the issue of the employee on administrative leave, plan ongoing discussions between County personnel, the schools and employees on a regular basis to see how they are doing, if they are happy or dissatisfied, they don't want the schools to drop out, thinks the schools would have more confidence if they saw us working towards those things and involving them more in the interviews and selection process.

Mr. Heatley mentioned having more flexibility in the pre-employment hiring process. Mr. Kilmartin said he understands that by pre-employment hiring process they are talking about discussions between the schools, the county and the prospective employees to place them into the right school, flexibility with the school if they have an issue with the type of skill sets they are looking for with one individual vs a different concept. Mr. Kilmartin asked if the health insurance grievance is related to one employee or all. Mr. Heatley replied that there is a group of employees that pay one additional month of individual or family COBRA coverage, had to pick up that tab because they didn't receive pay in the summer months. Ms. Rooney said they are close to resolution on that issue.

Mr. Warner said they were led to believe that if nothing were done with the present system it would destroy itself. Ms. Rooney said the majority of funding is from the state and is not guaranteed to go on forever - would like to see as many schools participating as possible so we don't put that in jeopardy.

Mr. Lesniak said he would like to see this issue wrapped up before Budget Review so that they are not starting another school year with questions about where this program is going; asked them to report back to this committee when it has been resolved.

In answer to Mr. Laguzza, Mr. Long said they are capped with funding, as schools have dropped out they have redistributed funding to the other schools. If they add more schools to the program, the cap remains the same. Ms. Rooney said if there were more kids to be serviced, the schools would be informed that their share would be higher. Mr. Lesniak asked if there is the ability to apply for an increased grant if they get more schools to participate. Mr. Long replied "no".

In answer to Mr. Laguzza regarding pre-employment, Mr. Long said according to Civil Service rules, three candidates would be sent to the school, if the school isn't happy with any of them, the County doesn't have the option of sending a fourth. Mr. Laguzza is concerned that there is disparity in what we feel would be a good fit for a program within an environment and what the environment says. Mrs. Rapp suggested that maybe they need to change the test.

Ms. Walter said the idea that the state would approve noncompetitive status for this title is probably slim and none, preference is for virtually everything to be in competitive class, extremely difficult to get out. State will want to look at whether or not the position is testable, whether people are signing up for the test. Ms. Walter said she doesn't think it would meet the State criteria for noncompetitive, but they could ask for that consideration. Changing the test is similar, can request and say a certain test isn't giving us what we want, but it wouldn't be our decision.

Mr. Warner pulled items 3. a, b and c at the request of the County Executive's office.

2. VAN DUYN: Ms. Roberta Sprague, Commissioner

a. Abolish Assistant Head Nurse, Grade 3 @ \$40,251 - \$49,618 effective June 7, 2008.

Create Patient Evaluation Assistant, Grade 4 @ \$42,896 - \$52,980 effective June 7, 2008.

Ms. Sprague said by description, the Assistant Head Nurse position is an RN who works in the facility and acts as the head supervisor when the Head Nurse is out, would like to replace that with a Patient Evaluation Assistant, Grade 4. By description, that is an RN who goes into homes, assisted living programs to recruit people to live in Van Duyn. The person who was doing that job has left, would like to recruit with correct job title.

Mr. Warner asked if the majority of the people they recruit are Medicaid. Ms. Sprague said their average runs between 80% and 85% Medicaid payment. Mr. Warner asked how they enforce whether these people really needed to be there paid for by Medicaid. Ms. Sprague said Medicaid has been changing their rules about transfer of funds; at some point instead of a three-year look back it will be a five years to see if they have transferred funds.

In answer to Mr. Lesniak, Ms. Sprague said the difference in starting pay between the two positions is \$2,645. The woman who was doing this job worked primarily at Community General (their greatest source of referrals) and also at St. Joe's Hospital, assisted living programs, and in peoples' homes.

A motion was made by Mr. Laguzza, seconded by Mr. Kilmartin to approve this item, a vote was taken and passed unanimously; MOTION CARRIED.

*Mr. Laguzza left the room.

b. Informational: WIC/WIC Vendor Management - Ms. Marilee Mohr Twardowski, Program Coordinator

Ms. Mohr Twardowski presented a Power Point (*Attachment 2*)

Mr. Laguzza asked if clinic sites would be expanded. Ms. Mohr Twardowski said they have to get permission from the State when they see a need. Mr. Laguzza noted that there is a huge need on the north side, Mrs. Rapp agreed. **Mr. Laguzza requested any data available from the State showing by zip code the percentage of eligible that live in the north and the number they are servicing.**

In answer to Mr. Lesniak, Ms. Mohr Twardowski said income guidelines just changed as of the first of May - family of three is \$32,560 gross, family of two is \$25,900 and family of one -is \$19,240.

The meeting was adjourned at 10:17 a.m.

Respectfully submitted,
Johanna H. Robb, Deputy Clerk

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**ENVIRONMENTAL PROTECTION COMMITTEE MINUTES - May 15, 2008
CHAIRMAN JAMES A. CORBETT**

MEMBERS PRESENT: Mr. Corbett, Mr. Jordan, Mr. Kraft, Mr. Masterpole, Mr. Rhinehart

MEMBERS ABSENT: Legislators Williams and Winslow

ALSO PRESENT: *see attached list*

Chairman Corbett called the meeting to order at 11:00 a.m. ***A motion was made by Mr. Masterpole, seconded by Mr. Rhinehart to waive the reading and approve the minutes of proceedings of the previous committee. MOTION CARRIED.***

1. LAKE IMPROVEMENT: Sue Miller, Deputy Director

a. **ACJ Update**

Skimmer boat

- Started May 1st - do not have an answer as to why there were dead fish in the inner harbor. It does not have to do with water quality. DEC was contacted and looking into it.

Midland Phase II (Treatment Facility)

- Getting ready to begin operation
- Took tour through it with members of Sierra Club and Atlantic States
- Site restoration work still needs to be done

Clinton Phase I

- Conveyance pipelines outside of Trolley lot-trying to bring in 8 CSOs
- Pipe jacking under creek is completed; pipe will now be inserted
- Putting in shafts on West St., nearly completed; microtunneling starting shortly, possibly next week
- Project to be completed by fall of this year

Clinton Phase 2A

- Pipeline to go under railroad tracks
- Awarded and should begin work on Monday
- Informing Armory Square Association about the project
- There will be no drive around at the MOST at a certain point; tunnel will still be open to cut over for parking
- Takes in one large CSO

Clinton Phase 2B

- On hold - Across Walton St. to back of the MOST
- Would address 2 CSOs

Mr. Rhinehart was concerned that the two conveyance projects were started and he does not want to end up with millions of dollars of pipes underground going nowhere. The intent was that \$20 million worth of pipes would connect to something, go somewhere, or be treated somewhere. Chairman Corbett said that they could also go to storage. Mrs. Miller said that they will look into green infrastructure more, but it doesn't mean that it would eliminate the need for something for the kind of volume that is being dealt with on combined sewer overflow discharges. That is why the decisions was made to go ahead and complete the pipelines, as the 11 CSOs have to be addressed and have to get to a location. The volume capture requirements for the State have not been met. The CSOs are large; if the amount of runoff can be reduced, so can the size of the facility.

In answer to Mr. Rhinehart, Mrs. Miller said that water has been run through Midland; it is working fine and will come on line soon. Electrical and computer hookups need to be completed, as no one will be there fulltime.

Mr. Jordan said that by using green infrastructure there is less run off to CSOs; the scope of the facility may change because of it. He asked if because of less runoff, are the conveyances over engineered. The pipes that are designed to carry a certain volume could be substantially reduced because of new methods being considered. Mrs. Miller said that with more room made, then more can get in--can catch more of the storms. Mr. Ott said that the pipes are designed to handle storms, and the flow would not be reduced by 2 - 3 times.

Mr. Jordan referred to pools of water being breeding grounds for mosquitoes; assumed it is a consideration, and that by rectifying one problem, another is not created. Mrs. Miller said that swales in green infrastructure are designed to be porous and rain barrels have mosquito control devices on top of them.

Mr. Masterpole asked about mitigation dollars; Mrs. Miller said that the Co. Executive has made that commitment. Mr. Ott noted that the Harbor Brook money still needs to come back and be appropriated by the Co. Legislature; there was never money appropriated for Harbor Brook.

Midland Phase III

- The extended pipe to take in 7 overflows - nothing new; it hasn't been bid yet
- The plant will operate with the 3 it can take in now; it has room to take in the additional overflows

Mr. Kraft said that it doesn't sound efficient; the plant is there and ready to operate-questioned why the pipes didn't go in first. Mrs. Miller said that they are being taken in as the pipe is built. It was built in phases; the plant is complete and will now take in 3 of the 4 largest CSOs; there are 7 in total.

Sewer Separation

- City will be putting in the curbing on Parkway; then will be able to finish restoration of street

Onondaga Lake Day

Sat., June 7, 10:00-3:00; Onondaga Lake Park; theme is "Go Green"; sponsored by Lake Partnership

Mr. Rhinehart asked Mr. Ott about the repair on Franklin Trunk Sewer, Eastwood. Mr. Ott reported that it is going well; about half way done; may take 3-4 weeks to complete; price will be around \$900,000. They plan to use remaining balance in 413 acct., and will transfer from 960 acct., which they hope will cover the cost of it. Mr. Rhinehart asked about other areas within the County system that are of particular concern. Mr. Ott said that there is a lot of old pipe, it is never known what circumstance could cause one to fail. They run cameras through the pipes all of the time. There will always be emergencies; this is one of the worst they have had.

2. pulled

3. Requesting the Onondaga County Executive to develop a plan to consolidate the Metropolitan Water Authority Board and the Onondaga County Water Authority - Mr. Masterpole

Mr. Masterpole questioned why the 2 entities exist. He was informed that the Task Force basically reached no decision. With consolidation moving forward in government, this issue should be readdressed; an expert in the field should examine this. He has no issue with MWB or OCWA, but feels that they would be fine combined. Mr. Kraft said that to develop more information is not a bad idea; but it was done before in the early 1990's. Mr. Fitch confirmed that a study was done and it was substantial. It was headed by Mr. Cunningham, WEP (Drainage & Sanitation); representatives from OCWA, MWB, City, Co. Executive's office. There have been several efforts to consider consolidation over the years.

Chairman Corbett asked the Clerk to provide a copy of the CNY Water System Task Force report to Mr. Masterpole.

Mr. Kraft said that the study in the '90's shows reasons why the consolidation wasn't attractive. The Task Force mentions that it would save money, but there was no proforma. The proponents said it would save money, but there was no documentation. He

is not suggesting that this not be looked at; should continue to look at ways to modernize government. The first step should be to obtain all of the information that is available. Mr. Masterpole said that it is his understanding that the decision of the Task Force was not to make a decision. If that is the case, it is not a comprehensive document. Mr. Kraft said that there were a lot of generalities in the report; the study from the '90's is more specific. **Mr. Fitch said that he would provide a copy of the '90's consolidation report to the members.**

In answer to Chairman Corbett, Mr. Fitch stated that the recommendation of the Task Force was that the assets and functions be combined with that Authority to the extent permitted by law. It was recommend that the County Executive, in consultation with members of the MWB and OCWA, meet to determine how it would be accomplished. Mr. Masterpole said that it hasn't been done. Mr. Kraft suggested that the Mr. Masterpole put this on hold for month to review the other documents. Mr. Masterpole said that he would like to get this approved at committee, and will pull it at session if he has to.

Mr. Rhinehart said that he is not opposed to this. He likes the idea of asking the Co. Exec. to look into it. Anything down the road should encompass the City and the County. There are 14 other water districts distributed around the county; 2 in his district have been incorporate into OCWA by their choice. A committee or someone needs to look at where this will be in the future with one water company taking care of the whole water system. Mr. Masterpole did not disagree, but knows that water is a huge asset to the City. He is not opposed to looking at everything available--the intent is equal or better service at a lesser cost. Someone should be hired to do it--possibly a WHEREAS clause should be added to the resolution to that regard.

Mr. Jordan is in favor of pursuing measures to see whether consolidation would be financially beneficial to the taxpayers. He has a problem with the implication of the resolution--it presumes that consolidation is a financial benefit of everyone.

Mr. Kraft said that the Task Force was careful with their words; they didn't use the word "consolidation". The issue has been brought up every 7 years or so; it was continuously decided not to do it. Mr. Masterpole said he wants to find out why, but the legislature has looked different over the last several yeas and there is new county executive. Mr. Kraft said that there are substantial and valid reasons why it was decided not to consolidate; he suggested that this wait one month to obtain more information. Chairman Corbett said that it may allow for a platform that a lot more people could stand on. Mr. Masterpole said that he was willing to put it on hold for one month. Mr. Kraft suggested that Mr. Masterpole contact Mr. Fitch, MWB and Mr. Hooker, OCWA, and obtain their points of view. Mr. Masterpole clarified that the he has no problem with MWB over OCWA or visa-versa.

Chairman Corbett said the MWB has been asked to come back quarterly and give reports, he will also be asking OCWA to report quarterly so that the Committee can have a better understanding of the water delivery systems. He also urged members to obtain and read the report from the Water System Task Force.

4. METROPOLITAN WATER BOARD:

a. Confirm reappointment as Chairman and Presiding Officer of the Onondaga Co. MWB (Mr. Picardi)

A motion was made by Mr. Rhinehart, seconded by Mr. Kraft to approve this item.

Mr. Masterpole said that he has an issue with people serving both boards, and asked if they have to serve on both. Mr. Fitch explained that the Chair of OCWA, by virtue of his position, is a member of the MWB. The Chair of the MWB Board does not have to sit on the OCWA Board.

A vote was taken on the motion. Passed unanimously; MOTION CARRIED.

5. ONONDAGA COUNTY WATER AUTHORITY:

a. Confirming reappointment to the Onondaga County Water Authority (Mr. Picardi)

A motion was made by Chairman Corbett, seconded by Mr. Jordan, to approve this item. AYES: 4 (Corbett, Rhinehart, Jordan, Kraft); NOES: 0; ABSTENTIONS: 1 (Masterpole)

The meeting was adjourned at 11:55 a.m.

Respectfully submitted,
DEBORAH L. MATURO, Clerk
Onondaga County Legislature

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SPECIAL PLANNING & ECONOMIC DEVELOPMENT COMMITTEE MINUTES - MAY 23, 2008 CHAIRMAN CASEY JORDAN

MEMBERS PRESENT: Mr. DeMore, Mr. Stott, Ms. Williams, *Mr. Stanczyk, **Mr. Rhinehart

MEMBERS ABSENT: Mrs. Rapp

ALSO PRESENT: *see attached list*, Mr. McAuliffe, Mr. Holder, Mr. Herkala

Chairman Jordan called the meeting to order at 8:30 a.m.

WESTIN CONVENTION CENTER HOTEL

Mr. Mareane said that the original discussion for a hotel occurred in this committee. It relates because it is about how the community is envisioned; how to revitalize downtown, how to achieve job growth, economic growth and convention activity, to rebuild hospitality industry, which employees 14,000 in Onondaga County.

In the early 1990's when the convention center opened, convention activity very quickly ramped up. People came to know the OnCenter and the quality of it; they wanted to book events in Syracuse. Convention levels went sky high for the first several years. They wanted to come to Syracuse because of the quality, scope of facility, an integrated complex that few other communities offered. Many visitors stayed in the Hotel Syracuse. There was a decline and closure of the Hotel Syracuse. With the loss of the hotel, the OnCenter lost significant amounts of convention business.

A Westin is a prestige flag; they don't come to a community lightly. Syracuse will be the first community in NYS, outside of NYC, to have a Westin. Market studies have been reviewed, which show that there is a market for this hotel, the kinds of rates will be paid, and the number of rooms will be occupied that are needed to ensure this is a successful operation. There is business here to gain.

Mr. David Holder, President, CVB, said that they go to groups years in advance to start developing relationships with them, start talking about our convention product. They go back to them over and over again, take the industry partners with them (hotels, OnCenter Complex), and build relationships over time. They have relationships that want to be renewed with Syracuse. When conventions come here, reports are received from the planners regarding the best-attended, best revenue producing, cause for being the best attended, etc. Part of it is the location, and part of it is the level of service received in the community. In 2011 the U.S. Women's Bowling Championship is coming here; an estimated 50,000 women. They will spend money in shops, restaurants, bars, etc. That is a booked business; they booked based on past experience in Syracuse. They understand and expect that the hotel will be here, but they are booked now. There is a lot of other business that is potential; much will not book until the hotel is constructed. It represents about \$115 million of direct travel spending. Of the \$115 million (spent in restaurants, gas stations, transportations, shops, etc.), about 47% will be in properties other than the Westin. The Westin is a catalyst for driving business for other hotel properties and other businesses throughout the community. It is and economic driver; it should be looked at from an employment perspective, travel-spending perspective, and a tax revenue perspective.

Mr. DeMore referred to the Brookings report and the trend nationwide. Mr. Holder said that Brookings report entails bigger cities, a lot bigger convention products. Syracuse is the right size for the convention product that they go after; the stream is 200 - 1,200 people. The comparisons on the Brookings report are with areas such as St. Louis, Miami, Myrtle Beach; they build 1000 room hotels; which work for resort properties. The put a leisure component together with the meetings component. One of the reasons that meeting planners like the OnCenter is because it is a very manageable size. The Westin is a very appropriately sized hotel for the market here. He feels that the Brookings report is irresponsible statistically; it doesn't apply. Mr. Marnell added that Syracuse, the OnCenter, is considered Tier 2 facility; which is the market that is the most attractive.

Mr. Marnell said that in 1999, the bowling conference was here; 400 bowlers per day for nearly 4.5 months. Hotel Syracuse was not meeting the demands of the customers coming in; the facility wasn't being maintained properly, didn't have the proper maid and linen service. The OnCenter staff went over with boxes of light bulbs, linens, towels, and did whatever they could to help. In 1999 the convention center was closed for 6 months for the American Bowling Congress for the construction and taking it down; there was pent up demand that was pushed over to the year 2000. They continued to book, but it was very difficult. In 2001 and on it continued to digress because people did not want to stay in the Hotel Syracuse as the host hotel. They tried marketing concepts, shuttling people. Some conventions come and agree to a shuttling service, but for a host hotel, meeting planners and guests want a connected hotel or immediately nearby. This is a complex: convention center, arena and theaters. When a convention comes in they can book space through the OnCenter and have all 3 facilities available, which is a great advantage. The convention center still looks very modern, and is very well maintained building compared to other facilities in the state; it is affordable. People like coming to Syracuse, the convention center is affordable, the hotels are affordable; there are great restaurants and attractions. This is the cross roads of the state. The only thing lacking is a host hotel.

Chairman Jordan said that in looking at this project, it seems like all bases have been hit. Central New York has so much to offer between Destiny and the OnCenter Hotel. If the different elements of the economy work together and synergize their efforts; this could be built into an enormous boom for the local economy. The potential is unbelievable. Syracuse is really underserved; there is more of a demand for rooms than there are available at this point in time. The projected economic benefit far exceeds the investment of the money into the project, a nominal amount considering the total cost of the project, with a guaranteed return on the money. A lot was done to protect the County and he commended the County Attorney's office and the Management and Budget office for the work they have done to minimize the risk to the taxpayers as much as possible.

*Mr. Stanczyk arrived at the meeting.

Mr. Stott said that the NIT has been here and imagined having the hotel in place to bring the final four here on a regular basis. Syracuse University has multiple national championships in lacrosse; basketball is a major draw. Additionally, this is a continuous win; there is so much secondary benefit to this project. Having fail-safes included, he doesn't know how it can be justified to stop the project. Chairman Jordan clarified that the 8% is a minimum rate of return; under certain circumstances the County would receive a portion on any gain from the sale of property; also there is sales tax and ROT, which is a return on the investment.

Mr. Mareane said that the impact numbers are wages for people who live here, business sales, and business to relocate here. The corridor of downtown beginning at the Hotel Syracuse (being revitalized to residential and 100 hotel rooms, the Tech Garden, OnCenter, New Hotel, Western Campus to SUNY UpState; Health and Hospital complex, to Syracuse University, is a powerful economic development engine. It will be the largest commercial development in 20 years. This project will bring net wealth into the community, which gets re-circulated into this economy.

Mr. Mareane said that the business plan - the County position is limited, return is preferred, various waterfall scenarios of who goes first under a number of different outcomes; the County money always comes first.

**Mr. Rhinehart arrived at the meeting.

Mr. Mareane said that there is an in-kind component to the project. The County borrowed money and applied DestiNY money for the acquisition of land, build a sky bridge, vestibule inside the garage, and an interior stairway in the convention center. More money will have to be spent for the land than originally thought. They are looking to see whether, in spite of the higher cost of land, there will still be enough money to do the other components. It is the only loose end; they will come back and address the legislature when they know if they can pair down the other elements. With the approval of this plan on June 3rd, there will be a drop dead date established. It will be mid-fall at the latest; if it isn't by then, then the deal is off. It is expected that the developer wants to get in the ground much earlier than mid-fall.

Mr. Herkala said that there will be four resolutions. The first will authorize the execution of the second amended and restated development agreement. The old name of the developer was Onondaga Ventures, LLC. That entity is assigning its interest to Starwil Hotel, LLC and Westwil, Inc. All entities are owned by Wilmorite, Tom Wilmont, developer. There are many places in the development agreement that reflect the name change. There is a change in the order of expenditure of funds. The \$23,000 contribution being made by the OCIDA in the form of a State grant is going to be spent first to build the shell and as much of the interior as possible by Westwil Inc. Westwil Inc. will assign its properties in its entirety with all its rights, obligations and duties, to Starwil LLC, who will be the ultimate owner of the facility. The purpose is for tax implications. A PILOT schedule is attached to the development agreement; there is a slight change in the PILOT schedule. The current schedule has a payment of \$1.6 million for a period of 10 years; it ramps down to a point of minimum payments for the out years of \$114,000. In order to take the best advantage of the credit supported by the Empire Zone, the payment will now be \$1.6 million for 9 years; and will drop off to \$500,000 in the out years. The net effect is minimal. A drop-dead date will be included in the agreement. The agreement reflects, in general terms, the fact that the OCIDA, as an owner of Starwil will be receiving a preferred return at 8% on the calculation of its equity interest in the property.

Mr. Herkala said that there are 3 other resolutions which all build on it and are results of the name change: amending the PILOT legislation to the extent that it effect a change in the name; the local law - amend the lease local law (ground lease) to Westwil Inc; a name change in the reserve agreement and PILOT mortgage legislation. There are also changes in regard to the fact there it is now a two-entity structure.

Mr. Stanczyk asked what the effect is regarding the change in the amount of the PILOT or the change/anticipation of getting money from the PILOT. Mr. Mareane said it is neutral; it is the same amount of money and same amount of allocation to both governments.

Mr. Rhinehart referred to the \$50 million financing with IBEW; asked if there are any banks or third parties involved. Mr. McAuliffe said that it is just the IBEW Trust Fund. It has to be paid off in 3 to 4 years; ultimately there will be a bank involved. It is entirely possible that there will be tax-exempt bonds involved as well. This project sits in an Empowerment Zone. They have tried for a number of years, working with Congressman Walsh, to get the bill sitting before Congress moved or attached to something. There is still hope that \$35 million of the \$50 million could be taken out with a tax-exempt bond, which would further help the economics of the project. There is an allocation from the City of Syracuse, out of their \$125-\$130 million cap, allocated \$35 million for this project.

Mr. Rhinehart asked about the walkway that connects to the buildings. Mr. Mareane said that if there is a loose end at all, this is it. It is because the condemnation award for the land was so much higher than what was expected. The Legislature allocated \$7.3 million for the land, sky bridge, vestibule and stairway within OnCenter. Land was assumed to be \$4.2 million; and will end up being approximately \$5 million. They will look to see if they can bring in the other elements of the plan and stay within the budget. Mr. Kochian added that the \$5 million is not a settled issue; that is on the high side.

The meeting was adjourned at 9:20 a.m.

Respectfully submitted,
DEBORAH L. MATURO, Clerk
Onondaga County Legislature

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**WAYS & MEANS COMMITTEE MINUTES - May 27, 2008
CHAIRMAN JAMES RHINEHART**

**MEMBERS PRESENT: Mr. Holmquist, Mr. Warner, Mr. Kinne, Mr. Kraft, Mrs. Rapp, Mr. Stanczyk, Mr. Kilmartin,
*Mr. Corbett**

ALSO PRESENT: Mr. Jordan, Chairman Meyer, *see also attached list*

Chairman Rhinehart called the meeting to order at 9:30 A.M.

A motion was made by Mr. Warner, seconded by Mr. Holmquist, to waive the reading and approve the minutes of the proceedings of the previous committee. MOTION CARRIED.

1. ONCENTER: Joe Mareane, CFO, David Herkala, Deputy County Attorney

*Mr. Corbett arrived at the meeting.

a. Amending Res. No. 306-2004, as amended, to authorize the Co. Executive to enter into a second amended and restated Development Agreement for the development of the Convention Center Hotel

A \$10 million equity contribution will be made by OCIDA; a co-owner of the project. The other co-owner will be a member of the Wilmont family; each will have \$10 million of equity. Scenarios have been considered regarding annual profits, a sale, refinance, distressed sale, and foreclosures. In each scenario, the County is in a preferred position--County money comes first. County's involvement is limited. If there are cost overruns that occur, the County will be sheltered. If there are cash calls in any other from whether it be Westin or operating needs, the County will be sheltered. Several pieces of legislation that were approved in the past, need to be amended, most of which are name changes.

Mr. Herkala noted that the 2nd, 3rd, and 4th resolutions deal primarily with the fact that the prior deal was the Onondaga Hotel Venture, LLC. That entity was purchased by Wilmorite in mid 2007. A two-entity deal structure is needed now. It is still owned by Wilmorite, but in order to make the project work, one entity will be known as Westwood, Inc.; the other known as Starwil Hotel, LLC. In answer to Mr. Kraft, Mr. Herkala explained that there are two entities for tax purposes--primarily for the tax implication in receiving the OCIDA contributions: \$15 million in state grants and \$8 million in OCIDA bonds. Direct receipt of those is by the entity that will own and construct the hotel; it could result in an adverse tax implication.

Mr. Herkala reviewed the main changes to the development agreement (*attachment #1*):

- Section 1.02: leasing property to Westwil, Inc.; at some point in time Westwil will assign or sublease their interest in that property to Starwil - Westwil builds out \$23 million of the hotel using the OCIDA contribution then leases everything to Starwil. Starwil completes the hotel with the balance of the construction financing and the two equity investments
- Section 1.04 - additional protection to the County making County obligation to provide parking spaces in connection with use of OnCenter garage subject to force majeure
- Section 1.05 A3 - infusion of the \$23 million receipt of contribution upon County receipt of proof that the equity of the investment had been made both by OCIDA and Westwil Hotel, LLC. Westwil Hotel LLC is the entity that will be comprised of the Wilmont family--they are one of the members of Starwil, as is OCIDA. That entity is now contributing the developer portion of the equity contribution.
- Section 1.05 B - now provides that OCIDA contribution is going to be spent first. The reason is for tax purposes; if not done in this order there is a risk of having the contribution treated as income.

Mr. Mareane clarified that this is the \$8 million OCIDA contribution, not the equity that is a changed element of this deal.

- Section 2.03 - change reflects that hotel is now an 8-floor structure; which it has for a couple of years. However, the old development agreement from 2004 had a notion that there could be as many as 16 floors.

Mr. Kraft asked about the \$23 million and what happens if the developer walks. Mr. Herkala explained that Section 2.19 requires completion guarantees from both Westwil and Starwil; also requiring a guarantee of completion from an individual or entity approved by the County for 100% construction of the hotel and the appropriate expenditure of the OCIDA contribution. The entity will be a Wilmont entity or individual; depending upon financial proof that they can be held responsible for \$23 million--are getting an additional personal guarantee. Mrs. Rapp questioned why it is not known who or what entity it is yet. Mr. Herkala said that there are multiple entities that it could be; Wilmorite family has several corporations. Mr. Tom Wilmont will have to

personally guarantee completion pursuant to the terms of the loans. Mr. Kilmartin asked if the form of guarantee will be a separate document negotiated between the Law Dept., the developer, and the County; will set forth the financial wherewithal to the guarantor and covenants restricting the transfer of their assets, etc. Mr. Herkala agreed. Mr. Stanczyk asked if that will be in place before a vote is taken in June; Mr. Herkala said it would not be, but will be before they close.

- 2.03 *continued* - provides that Westwil Inc. will be responsible for any costs in excess of \$23 million; Starwil will be responsible for any costs in construction in excess of the \$10 million OCIDA equity investment.
- Section 3.01 - construction must commence on or start on or before Oct 15, 2008, or the agreement becomes terminable at the discretion of the County.
- Section 3.02 - updates the project schedule

Mr. Stanczyk said that the agreement becomes terminal seems passive; questioned why it was written as "of October 15th or the contract terminates". If that date is not met there will be some excuse and pressure on the County to continue the process. Mr. Kilmartin explained that typically if something is terminable at the option of one party, then they have the option and freedom to terminate if they so elect. It isn't lessened by the fact that it doesn't say "shall terminate"; in fact it gives more power to the party on the one side that has the option to make it terminable. There could be any number of factors or circumstances that the County wouldn't allow it to go past a date. In some strange circumstance, the County may want it to go past a date. Mr. Stanczyk said if it became clear in September that the October 15 date would not be met, it would seem that if there were language included that it would terminate if construction wasn't commenced on Oct. 15th, then the parties would be involved in rather severe negotiations in Sept., prior to Oct. 15th. The way it is, it seems that it would more easily lapse and more negotiations would happen later rather than sooner. Mr. Kilmartin said that from Mr. McAuliffe's perspective and his client's perspective, the County would have the hammer, because it is terminable at the option of the County. They would have 100% authority to terminate it; it gives more power and flexibility to the County; it does not lessen the burden on the developer to perform.

- Section 4.01 A(5) - provides that the environmental remediation contingency will be deemed waived if the developer has not raised them before closing.
- Section 6.02 - allows County to take any action under the law in the event of the default, including the default of the entities to commence construction by Oct. 15
- 8.02 - definitions were added

Mr. Herkala said that other changes reflect the fact that the name has gone from Onondaga Hotel Ventures to Westwil, Inc. and Starwil Inc.

Mr. Warner asked if there are any other uses planned for the hotel other than it being strictly a convention center hotel; he referred to a letter to the editor in yesterday's newspaper; he asked who would have authority to make decisions on the usage of the hotel. Mr. Herkala said that the hotel is required to be operated as a convention center hotel, as a complimentary component of the OnCenter for a period of 25 years after the execution of the agreement. Subsequent to that, the developer has more flexibility with how they want to use that facility, but it has to be in keeping with the ground lease. Mr. Mareane said that it cannot be converted over to condos or apartments; there will be commercial activity along the ground floor, i.e. a restaurant. Mr. McAuliffe said that there may be other leased services that are normally supported by the use of a hotel, i.e. shoe shine service; however, it is not being set up as a retail space.

Mr. Kilmartin referred to the agreement, page 5, section 7 - OCIDA contribution and the County reserve agreement. Mr. Herkala explained that the County will be executing a reserve agreement which will require that in the event there is a draw down on the debt service reserve fund for the OCIDA bonds, \$8 million, and if it remains in place in excess of a year, that the County will replenish the debt service reserve fund. Mr. Kochian said that existed prior to this developer; Mr. Mareane said it was approved by the legislature in 2007. The \$8 million is financed by the OCIDA; it is paid for by the pilot. If there is a year that the pilot isn't being paid, then there is a reserved amount that would be applied. There are enforcement procedures to make sure that that money is replenished.

Mr. Kilmartin asked if there is any update on the status of the loan commitment from the lender. Mr. McAuliffe said that they met with IBEW last week, will finalize the terms this week.

Mr. Kinne referred to parking spaces-if there is a disagreement about the structure of the garage, who covers the costs. Mr. Herkala said that the County determines if it needs to be fixed; has an obligation to provide the parking spaces; as long as the problem does not interfere with that obligation, they may not necessarily even be involved, but are responsible to maintain the garage.

In answer to Mr. Kinne, Mr. Herkala said that the expected opening is in the first quarter of 2010; Mr. Mareane said it is about 18 months from the start of construction. The IBEW loan will require guarantees of both budget and schedule.

Mr. Kinne asked how will the conventioners will get from the hotel to the convention center. Mr. Herkala said that a pedway with an enclosure is being constructed from the garage, which allows them to go from the hotel, through the garage, to the elevated sky bridge that is already in place. There will also be a vertical connection put in Exhibit Hall B in the OnCenter. Mr. Kinne expressed concern, as he has been informed that conventioners like to come to the lobby of the hotel and go right into the convention center; there should be a direct access. Mr. Mareane said that it is not a huge jump from the base of the hotel to the garage. Once the conventioners are in the OnCenter, they will be able to take a stairway, escalator, or elevator right at the sky bridge connection to get them to ground level. Within the limits of practically, function, and architecture, a comfortable direct connection has been. Mr. Mareane said that the County is paying for the sky bridge, vestibule and stairways. One item being looked at is the \$7.3 million that has been authorized for the purchase of land, leased to the hotel, and for the sky bridge, vestibule, and interior stairwell. There has been a condemnation decision that was much higher than expected. It is still being decided if it should be appealed or settled. Because it was so much more expensive, they will have to determine how to do the sky bridge, vestibule and stairway within budget.

Mrs. Rapp asked how the funds from the parking garage will be distributed. Mr. Herkala said that in terms of hotel revenues, the funds are split between the hotel and the County.

Mr. Kraft asked if any documents, agreements, and changes thereof be provided to Mr. Kilmartin for his reaction. Chairman Rhinehart said he wouldn't have any issue with him taking a look at it; but the County is paying Bond, Schoeneck and King to look at this also. Mr. Kilmartin said that he has asked Mr. Mareane and Mr. Herkala in the past to be provided with documents and any substantial changes to them; they have done that. At the beginning of the process, he thought it would be helpful to have an outside source to review the documents. It is his understanding that Bond, Schoeneck and King is doing that and making comments and revisions. It will be a benefit to the County. Mr. Kraft asked that the comments received back from Bond, Schoeneck, and King can also be provided to Mr. Kilmartin. Mr. Herkala said that many are the form of handwritten notes and emails. Mr. Kilmartin said that he would speak to Mr. Herkala and Mr. Mareane to get updates on the substantial comments and facilitate a way to keep the legislature informed.

Mr. Stanczyk said the County has committed \$7.3 million to this project-paying for land, to make improvements, make the connection. The land has cost a lot more money; does not want a connection that is not as involved as it should be. He asked what the estimate is for the potential additional cost. Mr. Mareane said at this point, they don't know. Before any legislation is proposed that would commit any additional dollars or change any plan, they will talk to the legislature first. Mr. Stanczyk asked if it would cost out by June 3rd. Mr. Mareane said that he didn't think they would know by then.

Mr. Kinne asked when a decision will be made about the land purchase, ie. appeal or pursue. Mr. Mareane said that the judge's decision was \$4.7 million, on top of that there are legal fees and interest costs, which would bring it to about \$5 million. When he came to the Legislature for authorization of the \$7.3 million; the estimate was \$4.2 million for the land. Mr. Herkala said that a notice of appeal has been filed.

a. Amend Res. No. 306-2004, as amended, to authorize the Co. Executive to enter into a second amended and restated Development Agreement for the development of the Convention Center Hotel

A motion by Mr. Corbett, seconded by Mrs. Rapp to approve this item. AYES: 8 (Rhinehart, Corbett, Rapp, Holmquist, Kilmartin, Warner, Kinne, Stanczyk); NOES: 1 (Kraft). CARRIED.

b. Amending Resolution No. 128-2007 relating to a County Reserve Agreement and Pilot Mortgage for the Onondaga County Convention Center Hotel to strike any references therein to the entity Onondaga Hotel Ventures, LLC and substitute with the entities Starwil Hotel, LLC and Westwil, Inc.

A motion by Chair Rhinehart, second by Mr. Corbett to approve this Item. Passed unanimously; MOTION CARRIED.

c. Amend Res. No. 307-04, as amended by Res. Nos. 29-05 and No. 73-05 regarding an alternative allocation of payments in lieu of taxes for the Onondaga Co. Convention Center Hotel to replace any references therein to the entity Onondaga Hotel Ventures, LLC with the entities Starwil Hotel, LLC and Westwil, Inc. and reflecting the approval of a second amended and restated development agreement

A motion by Chairman Rhinehart, seconded by Mr. Corbett to approve this item. AYES: 8 (Rhinehart, Corbett, Rapp, Holmquist, Kilmartin, Warner, Kinne, Stanczyk); NOES: 1 (Kraft). CARRIED.

d. A Local Law amending Local Law No. 2-2005 Authorizing the Lease of County property for a Convention Center Hotel facility

A motion by Chairman Rhinehart, seconded by Mr. Corbett to approve this item. AYES: 8 (Rhinehart, Corbett, Rapp, Holmquist, Kilmartin, Warner, Kinne, Stanczyk); NOES: 1 (Kraft). CARRIED.

2. COUNTY CLERK: Ann Ciarpelli, County Clerk

a. Mortgage Tax Apportionment

A motion by Mr. Warner, seconded by Mr. Corbett to approve this item. Passed unanimously. CARRIED.

3. **OCPL:** Edward Kochian, Deputy County Executive

- a. **Confirm appointments to the OCPL Board of Trustees (Mr. Alford, Mr. Manning)**

A motion by Mr. Kinne, seconded by Mr. Stanczyk to approve this item. Passed unanimously; CARRIED.

4. **BOARD OF ELECTIONS:**

- a. **Confirming appointment of Helen Kiggins as Republican Commissioner of Board of Elections**

A motion by Chair Rhinehart, seconded by Mr. Warner, to approve this item. Passed unanimously; CARRIED.

5. **HEALTH:** Linda Karmen, Deputy Commissioner

a. **Abolish Nursing Director (Community Health Service), Grade 33 @ \$53,904 - \$75,998 effective June 14, 2008; Create Director of Operations, Grade 33 @ \$53,904 - \$75,998 effective June 14, 2008**

A motion by Mr. Stanczyk, second by Mr. Kinne, to approve this item. Passed unanimously; CARRIED.

b. **Abolish Driver-Messenger, Grade 4 @ \$25,909 - \$28,597 effective June 7, 2008; Create Stock Clerk, Grade 4 @ \$25,909 - \$28,597 effective June 7, 2008**

A motion by Mr. Stanczyk, second by Mr. Kinne, to approve this item. Passed unanimously; CARRIED.

6. **VAN DUYN:** Roberta Sprague, Commissioner

a. **Abolish Assistant Head Nurse, Grade 3 @ \$40,251 - \$49,618 effective June 7, 2008; Create Patient Evaluation Assistant, Grade 4 @ \$42,896 - \$52,980 effective June 7, 2008**

A motion by Mr. Kinne, seconded by Mr. Warner to approve this item. Passed unanimously; CARRIED.

7. **AGING AND YOUTH:** Joe Mareane, CFO

- a. **Create Project Coordinator, Grade 31 @ \$44,892 - \$63,242 effective June 14, 2008**

A motion by Mr. Warner, seconded by Mrs. Rapp, to approve this item. AYES: 6 (Rhinehart, Corbett, Rapp, Holmquist, Warner, Kinne); NOES: 0; ABSTAINED: 2 (Kraft, Stanczyk); OUT OF ROOM: 1 (Kilmartin). MOTION CARRIED.

Mr. Mareane said that a project coordinator is a fairly versatile title as compared to a lot of Civil Service titles that are very ridged and restrained. The person will monitor programs and go after additional grant dollars; it will be largely grant funded overtime as grants are found.

Mr. Kraft asked why a current position isn't being eliminated; will the cost be increased in this department. Mr. Mareane explained that they would like flexibility in the departments. They are confident that the person who fills the position will be able to generate additional grant money. The commitment is that within the county budget there are adequate offsets to the cost of any of the positions.

In answer to Mr. Stanczyk, Mr. Mareane said that it is an M/C position. Mr. Stanczyk asked if the positions would start above step A; Mr. Mareane said that he did not believe so. Mr. Stanczyk asked where the money is coming from to fund it. Mr. Mareane said that they hope to generate enough money within the budget to pay for this position; if not, they will have to look elsewhere in the budget. Mr. Stanczyk asked if a person is identified for the position; Mr. Mareane said that there are candidates for it who are internal to the County. **Mr. Stanczyk said that he would like to know what level they will be slotted in, and asked Mr. Mareane to inform him.**

A motion by Mr. Warner, seconded by Mrs. Rapp, to approve this item. AYES: 6 (Rhinehart, Corbett, Rapp, Holmquist, Warner, Kinne); NOES: 0; ABSTAINED: 2 (Kraft, Stanczyk); OUT OF ROOM: 1 (Kilmartin). MOTION CARRIED.

8. **COUNTY EXECUTIVE:** Joe Mareane, CFO

- a. **Create Executive Secretary, Grade 26 @ \$34,165 - \$48,056 effective June 14, 2008**

Mr. Mareane said that this a mid-year adjustment in the roster; this person will be support staff within the County Executive's office; perform assignments related to scheduling and internal organizations of the County Executive's office.

Mr. Stanczyk asked if a position will be eliminated; Mr. Mareane said "no." If there is an increase in one area, there will be at least an offset in the corresponding area to offset that change.

Mr. Kraft said that with the change of administration there were opportunities for savings and they have not been taken advantage of.

A motion by Mrs. Rapp, seconded by Mr. Warner to approve this item. AYES: 8; NOES: 0; ABSTAINED: 1 (KRAFT). MOTION CARRIED.

9. **LAW DEPARTMENT:** Joe Mareane, CFO

- a. **Create Chief Confidential Assistant to the Co. Attny, Gr 29@ \$39,153-\$55,118 eff. June 14, 2008**

Mr. Mareane said that this position would be put in the Law Dept.; with flexibility for that position; responsibility to be mainly in Medicaid fraud and abuse. It is fully funded by State and Federal dollars. It is not an attorney.

Mr. Stanczyk asked to be provided with the hiring steps of the grades for items 7, 8, and 9.

Mr. Warner asked how much has been collected in Medicaid fraud in the last year; Mr. Mareane said that the first hit was \$100,000, and there have been subsequent findings that have come out of the Salient system. This position will bring trained, investigatory skills to the operation. In doing that, they will be able to follow through on leads from the computer system and refer things that look to be problem cases to the district attorney.

A motion by Chairman Rhinehart, seconded by Mr. Warner to approve this item. Passed unanimously; MOTION CARRIED.

10. PARKS: Joe Mareane, CFO; Robert Geraci, Commissioner

a. Create Project Coordinator, Grade 31 @ \$44,892 - \$63,242 effective June 14, 2008

Mr. Mareane said this is asking for flexibility in a title. The Parks Department has any number of things that can best be done by middle management, but the titles are very restrictive. This will be an unfunded, unfilled position created only for the purpose of flexibility.

A motion by Chairman Rhinehart, seconded by Mr. Kinne to approve this item. Passed unanimously; MOTION CARRIED.

b. A Local Law to establish boat rental fees at Onondaga Lake Park and amending Local Law No. 15-2004 to increase rental fees at Skyline Lodge and Arrowhead Lodge

Mr. Stanczyk asked about the increase in rental fees. Mr. Geraci said that the boats are a new program in Onondaga Lake Park, modeled after successful programs at Jamesville Beach and Oneida Shores.

Mr. Corbett asked if when rented, are the boats limited to the lake and not out into the Seneca River. Mr. Geraci said that they will be instructing people that they have to wear life preservers, are rented by the hour, and to stay within sight. They have met with the Risk Management people.

A motion by Mr. Kraft, seconded by Mr. Corbett, to approve this item. AYES: 8; NOES: 1 (Stanczyk). CARRIED.

c. Authorize Dept. of Parks & Recreation to accept the donation of an ultrasound machine for the Rosamond Gifford Zoo (\$26,000)

A motion by Mr. Kinne, seconded by Mr. Stanczyk, to approve this item. Passed unanimously; CARRIED.

d. Authorize Dept. of Parks and Recreation to accept the donation of courtyard furniture for the Rosamond Gifford Zoo (\$30,000)

A motion by Mr. Kinne, seconded by Mr. Corbett to approve this item. Passed unanimously; CARRIED.

e. Amending the 2008 County Budget to provide funding for a forest management plan and timber cut services with proceeds from the sale of forest products (\$50,000)

Mr. Geraci said that there is a program in place for Highland Forest where they are paying for Skyline Lodge, \$1.25 million of the \$2.25 million project from forest proceeds. The last forest management plan was done in 1998, and it was more of an inventory. An RFP was done and a company was chosen. It will be a computer-based system, which will guide them in all future cuts. It will be paid for from an initial cut. The first \$30,000 goes to the plan; cuts are done by hiring a company to mark the trees and oversee the cut and the company gets a percentage of that sale. They don't know how big the first cut will be; probably about 50 - 60 acres; depending on the price of timber, it could generate up to \$100,000. He will only cut what is needed.

Mr. Warner asked if the same company will be used that was hired for the old plan. Mr. Geraci said that a state-wide RFP was done, and ForCon, from Cortland, was chosen, who was hired before. They will oversee the cutting; they will not do the actual cutting.

Mr. Stanczyk asked about timber revenue. Mr. Geraci said that they have generated about \$700,000 so far. The timber economy has plummeted and would not recommend any cuts right now. Mr. Geraci said the only reason not to cut is the economy. There are several hundred thousand dollars to go to pay back Skyline; they have tons of timber money at Highland Forest. They will not clear cut; it won't even be known to visitors to the park. They are very selective about how it will be done. The economy could rebound and the first cut could be in the fall of 2008. They know that there is at least \$1.5 million of timber standing in Highland Forest, but they are not in the forestry business; they are in the business of forest management. **Mr. Stanczyk asked to be provided with the revenue received from the last 5 or 6 years in timber and an expectation of revenue going forward.**

Mr. Kraft asked what happens to the brush after the cut is made. The logging proposal is that there has to be slash on the ground; they are looking to see if it can be turned into firewood and sold or used within the Park system. Mr. Geraci said that debris will be seen. Mr. Warner said that when dragging firewood and tops out of the woods, it sometimes damages very valuable, young trees. Once the bark is skinned off of them there is a permanent defect that will always be with that tree. Some land owner opt to leave all the slash in the woods and let it decompose so not to damage the young, valuable trees. Mr. Kraft does not want people to see it while walking down the paths. Mr. Geraci said that they have been careful about where the cuts are made. Mr. Corbett said that sometimes the slash is left there because it becomes browse and habitat for animals. Mr. Corbett asked about other forest lands besides Highland Forest; Mr. Geraci said that there is the capacity in the RFP as an additional addendum to get this company do a comprehensive park system for a forest management plan, but they are not doing it right now.

A motion by Mr. Kraft, seconded by Mr. Warner to approve this item. Passed unanimously; CARRIED.

f. **A Local Law Amending Local Law No. 22-2002 to provide for a limited special fee at Rosamond Gifford Zoo at Burnet Park**

National Grid is going to pay the County \$25,000 and sponsor half-price admission days to the zoo from June 18 - August 20. The average revenue for that time sequence is about \$22,000.

Chairman Rhinehart stated that the idea for this was brought forward by Mr. Kraft a few years ago, and is glad to see it going forward.

A motion by Mr. Kraft, second by Mr. Holmquist, to approve this item. Passed unanimously; CARRIED.

11. WAR MEMORIAL: David Marnell, Joe Mareane

a. **Amend '08 County Budget to upgrade the War Memorial fire alarm system using prior years' room occupancy tax revenues and authorizing the County Executive to enter into contracts (\$325,000)**

Mr. Mareane said a fire alarm system needs to be installed at the War Memorial. They propose to pay for the system through ROT surplus dollars. Mr. Mareane distributed a handout (*attachment #2*). The balance in room tax reserves is \$1.05 million; the cost of this project is \$325,000; leaving a balance of \$726,000.

Mr. Marnell said that they cannot buy parts anymore for the fire alarm system; it is malfunctioning on and off and is a safety issue for patrons. It is urgent to replace the system, or there could be a serious liability on their hands if there were an emergency.

Mr. Kraft said that a contract will be created for this system; can the County be ensured that the vendor will provide availability of parts for some period of time. Mrs. Tarolli indicated that it can't be done.

Mr. Stanczyk asked if this can be networked to the Convention Center system; Mr. Marnell said that it can be. Mr. Stanczyk asked what the anticipated ROT tax income is for this year; Mr. Mareane said \$4.7 - \$5 million; \$4.625 was committed in the budget. In the first quarter, it was a little ahead; it is a volatile revenue source. Mr. Stanczyk asked if it finished in the black in the past 4 or 5 years; Mr. Mareane indicated that it did. Mr. Stanczyk said that he was under the impression that these monies would be used for extraordinary things to help tourism, develop more ROT because people will be pushed in this community. This is a convenient way to spend the money, but is a little off project.

A motion by Mrs. Rapp, second by Mr. Stanczyk, to approve this item. Passed unanimously; CARRIED.

12. EMERGENCY COMMUNICATIONS: John Balloni, Commissioner

a. **A Local Law authorizing the lease of property located in the Town of Elbridge from Eagle Point Farms, LLC and authorizing a contract for the construction of a communications tower**

Mr. Balloni explained that the two towers are critical to the new radio system; help serve underserved areas of the county in the current radio system, and they were planned almost from the beginning. They are 180' towers, one in Plainville, and one in Elbridge.

Mr. Stanczyk asked about buying and leasing towers. Mr. Balloni said that there are 3 potential towers planned; one not yet to committee that will be in the Skaneateles area. The County is building the towers and will own them. However, landowners are more interested in a lease of property rather than a purchase. The leases are for relatively small dollar figures. There is a net disadvantage to own the property on which the towers sit, but the reality is that the landowners have gotten attorneys and it is more profitable for the landowner to lease over time.

Mr. Warner asked if there was any problem with the farmland protection plan on item 12a. Mr. Balloni said there is not; they were careful to site the tower on non-farmable land.

Mr. Jordan asked about the type of land that they will be located on. Mr. Balloni displayed pictometry.

A motion by Mr. Warner, seconded by Mr. Kraft to approve this item. Passed unanimously; CARRIED.

b. **A Local Law authorizing the lease of property located in the Town of Lysander from Plainville Christian Church and authorizing a contract for the construction of a communications tower**

A motion by Mr. Warner, seconded by Mr. Kraft to approve this item. Passed unanimously; CARRIED.

13. COMMUNITY DEVELOPMENT: Linda DeFichy, Administrator

a. **Amending the 2008 County Budget to accept additional 2007-08 Community Development Funds and authorizing the County Executive to enter into contracts (\$19,371)**

This is additional funding received after the budget process.

A motion by Mr. Kraft, seconded by Mr. Warner to approve this item. Passed unanimously; CARRIED.

b. **Authorize Co. Exec. to file the 2008 Action Plan for the Community Dev. Block Grant, Home Grant, American Dream Down payment Initiative and Emergency Shelter Grant Programs (\$4,357,514)**

This is the annual submission to HUD for the four block grants, total is \$4.357 million. It is an entitlement. Mr. Warner asked if these are based on the income in an area; Mrs. DeFichy agreed.

A motion by Mr. Corbett, seconded by Mrs. Rapp, to approve this item. Passed unanimously; CARRIED.

14. SHERIFF: Chief William Peverly

a. **In the event the Town of Clay voters abolish the Town Police Dept. at public referendum, amending the 2008 County Budget authorizing an agreement with the Town of Clay for Enhanced Law Enforcement Services, and providing for the transfer of police functions upon abolishment of the Town of Clay Police Department subject to execution of said agreement between the County and the Town**

Chief Peverly introduced James Rowley, Supervisor, Town of Clay. Supervisor Rowley read a statement (*attachment #3*).

Mr. Kraft said that he has met with Mr. Rowley on this proposal; he has a resolution that says that this will only proceed if the voters (people) make that decision. ***Mr. Kraft asked to be listed as a co-sponsor.***

A motion was made by Mr. Kraft to approve this item.

Mr. Warner said that this legislation, at his request, will be based on the referendum of the people; the people in the Town of Clay will be driving this initiative, not the County Legislature.

Mr. Warner seconded the motion.

Mr. Stanczyk and Mrs. Rapp commended the effort; Mr. Corbett complimented the way the resolution was crafted.

Passed unanimously; MOTION CARRIED.

b. **Authorizing the County Executive to enter into an agreement with the State of New York and the City of Syracuse for the creation, location and operation of the Onondaga Crime Analysis Center**

Chief Peverly said this resolution allows the County and Sheriff's office to enter into a memorandum of understated with DCJS, the State Police, Syracuse Police Dept, and District Attorney. The purpose is to create a crime analysis center. He introduced Mike Walsh, appointed as Director of the Center by the DCJS. The center would be a place to analyze data that is coming in through criminal investigations and intelligence work in the field. That information would be audited by staff that would be assigned to the center and that information would go back out to the law enforcement agencies within the Onondaga County community. Additionally, there are regional centers set up across the state where the information would be exchanged with them; and they, in turn, would provide information back to the center.

A motion by Chairman Rhinehart, seconded by Mr. Warner, to approve this item. Passed unanimously; CARRIED.

15. LAW DEPARTMENT:

a. **Settlement of Claim**

A motion was made by Mr. Corbett to exit regular session and enter executive session to discuss pending litigation entitled "Orchard Earth & Pipe, Inc. v. County of Onondaga". Mr. Kilmartin seconded the motion. Passed unanimously; MOTION CARRIED.

A motion was made by Mr. Corbett, seconded by Mr. Warner, to exit executive session and enter regular session. Passed unanimously. MOTION CARRIED.

A motion was made by Mr. Stanczyk, seconded by Mr. Kinne to Authorize the Settlement of the Matter of Orchard Earth & Pipe, Inc. V. County of Onondaga. AYES: 8; NOES: 1 (Kraft); MOTION CARRIED.

The meeting was adjourned at 11:28 a.m.

Respectfully submitted,

DEBORAH L. MATURO, Clerk
Onondaga County Legislature

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