

NASSAU COUNTY LEGISLATURE

PETER J. SCHMITT,  
PRESIDING OFFICER

FINANCE COMMITTEE

RICHARD NICOLELLO,  
CHAIRMAN

1550 Franklin Avenue  
Mineola, New York

July 23, 2012  
3:13 p.m.

REGAL REPORTING SERVICES  
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A P P E A R A N C E S :

RICHARD NICOLELLO  
Chairman

NORMA GONSALVES  
Vice-Chair

VINCENT MUSCARELLA

ROSE MARIE WALKER

DAVID DENENBERG (Not Present)  
Ranking

JUDI BOSWORTH

DELIA DeRIGGI-WHITTON

WILLIAM J. MULLER III, Clerk

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2 CHAIRMAN NICOLELLO: I call the Finance  
3 Committee to order. I ask the clerk to read the  
4 roll.

5 CLERK MULLER: Legislator DeRiggi-  
6 Whitton?

7 LEGISLATOR DeRIGGI-WHITTON: Here.

8 CLERK MULLER: Legislator Bosworth?

9 LEGISLATOR BOSWORTH: Here.

10 CLERK MULLER: Is there anybody  
11 substituting for Ranking Member Denenberg?

12 LEGISLATOR TROIANO: I am.

13 CLERK MULLER: Legislator Troiano is  
14 here.

15 Legislator Walker?

16 LEGISLATOR WALKER: Here.

17 CLERK MULLER: Legislator Muscarella?

18 LEGISLATOR MUSCARELLA: Here.

19 CLERK MULLER: Vice Chairwoman  
20 Gonsalves?

21 LEGISLATOR GONSALVES: Present.

22 CLERK MULLER: Chairman Nicoletto?

23 CHAIRMAN NICOLELLO: Here.

24 CLERK MULLER: We have a quorum.

25 Item 463-2012 is a resolution approving

2 the Office of Community Development's annual  
3 action plan for submission to the United States  
4 Department of Housing and Urban Development.

5 LEGISLATOR GONSALVES: So moved.

6 LEGISLATOR MUSCARELLA: Second.

7 CHAIRMAN NICOLELLO: Moved by Legislator  
8 Gonsalves, seconded by Legislator Muscarella.

9 Any questions on this item?

10 LEGISLATOR GONSALVES: I ask that the  
11 testimony from the Planning Committee be  
12 incorporated into the Finance.

13 CHAIRMAN NICOLELLO: Okay. So noted.

14 (Whereupon, the following is the  
15 testimony from the July 23, 2012, Planning,  
16 Development and Environment Committee pertaining  
17 to Clerk Item 463-12.)

18 CHAIRWOMAN GONSALVES: Okay. We have  
19 two items on the agenda. Item 463, which is a  
20 resolution approving the Office of Community  
21 Developments Annual Action Plan for submission to  
22 the United States Department of Housing and Urban  
23 Development.

24 Motion, please?

25 LEGISLATOR MUSCARELLA: So moved.

2 LEGISLATOR WALKER: Second.

3 CHAIRWOMAN GONSALVES: Moved by  
4 Legislator Muscarella, seconded by Legislator  
5 Walker.

6 Who is here to speak on this item,  
7 please?

8 MR. MARIN: Rob Marin, counsel for  
9 Office of Community Development and Office of  
10 Housing and Homeless Services.

11 This represents our annual funding for  
12 several of our programs. The Community  
13 Development Block Grant, or the CDBG program, the  
14 Home Investment Program, and the Emergency  
15 Solution Grants, formerly known as the Emergency  
16 Shelters Grant.

17 Through this funding, this is the annual  
18 awards that we then distribute to local  
19 municipalities and other non-profits or for-  
20 profit developers for affordable housing, down  
21 payment assistance program, etcetera, etcetera,  
22 various programs dealing with the low to moderate  
23 income family residents of Nassau County.

24 CHAIRWOMAN GONSALVES: Kevan.

25 LEGISLATOR ABRAHAMS: How are you?

MR. MARIN: How are you, sir?

LEGISLATOR ABRAHAMS: I don't want to dive too much in this because I know this is going to come up again in the Full Leg. I guess it's also the responsibility of this legislature to know that the program is being monitored and it's being done in a fair and appropriate manner. And is it by your testimony today, what's being presented to us, is done in a fair way and the money is being spent in an equitable way and it's going to the areas that have the greatest needs, based off the Census?

MR. MARIN: Our programs are monitored annually by HUD to ensure that very statement. Thus far, yes is the simple answer.

LEGISLATOR ABRAHAMS: Okay. Thank you.

MR. MARIN: You're welcome.

CHAIRWOMAN GONSALVES: Legislator Ford.

LEGISLATOR FORD: Good afternoon. How much has this program been reduced overall?

MR. MARIN: We were cut 18 percent last year and this year is an additional 14 percent on top of that for this Community Development Block Grant Program. The HOME program was cut almost



2 50 percent, and that is just a countrywide  
3 phenomenon that is not attributed to anything  
4 that we did or did not do.

5 LEGISLATOR FORD: When you then decide  
6 on the allocations to the various, whether or not  
7 it's the Town of Hempstead, Town of Oyster Bay,  
8 City of Long Beach, when you're saying that the  
9 cuts were 18 percent last year, 14 percent this  
10 year, did you make those cuts equal to all  
11 entities or did some of the municipalities maybe  
12 get a 20 percent reduction, where somebody only  
13 got a 10 percent reduction.

14 MR. MARIN: For the majority, yes, the  
15 cuts were across the board. We tried to do a  
16 three-year snapshot over the last three years of  
17 each municipality and cut in that proportion. So  
18 that percentage wise over a three year period,  
19 the percentage in decreases is stagnant or at  
20 least very comparable.

21 LEGISLATOR FORD: Basically, like, say  
22 the Town of Hempstead was cut 14 percent, as was  
23 the City of Long Beach, correct?

24 MR. MARIN: In theory yes. The exact  
25 percentage, but yes.

2 LEGISLATOR FORD: My concern though,  
3 too, is that -- maybe I share some of Legislator  
4 Kevan's concerns as well when we look at this,  
5 with the distribution -- when we allocate the  
6 funding, when we pay for programs, when we pay  
7 for projects. I know way back in the past it had  
8 been some of the areas used the funding to repave  
9 roads that were in areas that were not minority,  
10 like, the minority sections, but then you had  
11 buildings that went into disrepair that were in  
12 need of that money. I see even in my own  
13 district that I'm concerned about the way the  
14 money is allocated and where they spend this  
15 money. So how do -- if we see this, how is it --  
16 and I understand that you say HUD comes in. But  
17 who reports to HUD how this money -- and who does  
18 the actual on-site inspections?

19 MR. MARIN: Our agency as well as HUD.  
20 The municipalities that receive the funding have  
21 their own community development agencies and they  
22 determine and assess the needs of that community,  
23 we do not. They present us annually with an  
24 application for funding and they prioritize,  
25 which I believe correctly so because they know

2 the needs of their populous better than our  
3 office would. They prioritize what is -- what  
4 they deem as an appropriate project for their  
5 municipality. So long as it is in the federal  
6 guidelines and within HUD criteria, we then -- I  
7 don't want to say we fund it, but just for  
8 simplicity, we fund it essentially in that  
9 regard.

10 As the cuts are coming and will continue  
11 to come, we pass the pain along to the  
12 municipalities and we've also told them that we  
13 will look to see that you are funding areas of  
14 priority.

15 Again, to say that it's a non-minority,  
16 minority area, our programs are income based. So  
17 it's areas based on a HUD census track, based on  
18 income eligibility, which, quite frankly and  
19 unfortunately, that's outdated. HUD has not  
20 adopted the new Census track numbers from 2005 to  
21 2009, so we are still using old numbers required,  
22 we don't have a choice. Through that, the areas  
23 which you may correctly perceive as needing  
24 additional attention, we may not be able to,  
25 based on HUD regulations, fund them because they

2 haven't caught up with the economics of Nassau  
3 County.

4 LEGISLATOR FORD: This is no reflection  
5 -- I want to be quite clear. This is no  
6 reflection upon the job that you're doing. I  
7 think your presentation that came I guess it was  
8 a couple of months ago, very information and very  
9 helpful.

10 MR. MARIN: Thank you.

11 LEGISLATOR FORD: But my concern is  
12 that, you know, it's through no fault of your  
13 own, like trying to watch everybody. But a lot  
14 of times I've seen it where somebody will put in  
15 and say that we're allocating money for this,  
16 this, this, we're going to do this program or  
17 whatever, and we all say okay and pass it  
18 through. Then, all of a sudden they decide that  
19 they're not going to use the money for that, they  
20 hold the money, and then they transfer it into  
21 something else a year or two years later to be  
22 used for something that they really would like to  
23 do. So the project you think that should be  
24 funded is not being funded and the work is not  
25 being done.

2 MR. MARIN: Sure.

3 LEGISLATOR FORD: How is that we correct  
4 it? And you're right. Like, the people that do  
5 monitor the CDBG, those agencies within each  
6 municipality, yes, they know the needs of the  
7 community but a lot of times we, as legislators,  
8 are also fully aware of the needs within our  
9 community. Even so, we may raise concerns or  
10 questions about this. It seems that some bad  
11 behavior is continuously going on, and that's my  
12 concern.

13 MR. MARIN: With regard to bad behavior,  
14 I don't know what to say about that. We do  
15 monitor and we are monitored by HUD. Do things  
16 slip through the crack? I think it would be  
17 disingenuous to say that, of course it does.  
18 It's important to note that we do allocate these  
19 funds. As part of the consortium -- we are given  
20 these as part of the consortium. That's why  
21 we're given such a large amount, because we  
22 administer it, we collect and do a lot of lay  
23 work on behalf of the municipalities. There are  
24 36.

25 To administer that, yes, of course

2 something will fall through the cracks. But  
3 those municipalities do identify and then through  
4 that identification are awarded a contract. In  
5 that contract it spells out what the funds -- the  
6 county contract -- it spells out what the funds  
7 will be used for. Then, when they submit the  
8 voucher, it has to be from the contract. In  
9 order to be eligible it has to be funds expended  
10 based on the contract with the county, and if  
11 it's not, it's simply not paid.

12 Do we do amendments? Of course, because  
13 the needs change, etcetera, etcetera. I don't  
14 know what you would be looking for us to do more  
15 than that, in terms of checks and balances, but  
16 we are certainly always available to listen to  
17 suggestions.

18 LEGISLATOR FORD: I know that. I  
19 appreciate that. But I just want to make sure  
20 that my concerns are put on record, because I do  
21 have -- you know, there are just some things that  
22 I'm not particularly happy about, not so much on  
23 this level at all.

24 Since the funding is becoming tighter and  
25 tighter the need is greater. We have to make

2 sure that we utilize this money in the best way  
3 possible to help the communities as best as we  
4 could.

5 MR. MARIN: Absolutely. I agree 100  
6 percent.

7 LEGISLATOR FORD: And I thank you for  
8 your good job. And thank you for your answer.

9 MR. MARIN: Thank you.

10 CHAIRWOMAN GONSALVES: Any further  
11 discussion?

12 (No verbal response.)

13 Any public debate?

14 (No verbal response.)

15 There being none, all those in favor say  
16 aye.

17 (Aye.)

18 Any opposed?

19 (No verbal response.)

20 The item passes unanimously.

21 MR. MARIN: Thank you.

22 (Whereupon, the following is the  
23 continuation of the testimony of the July 23,  
24 2012 Finance Committee meeting.)

25 CHAIRMAN NICOLELLO: Any other

2 questions?

3 (No verbal response.)

4 Any public comment?

5 LEGISLATOR TROIANO: I'm sorry. I  
6 thought he was going to present the plan.

7 CHAIRMAN NICOLELLO: Okay. You might as  
8 well step up in case they have some questions.  
9 Do you want to do a brief, just a real brief  
10 overview of what the plan is?

11 MR. MARIN: Rob Marin, Chief Counsel,  
12 Housing and Community Development. This is the  
13 annual appropriation for some of our grants,  
14 specifically Community Development Block Grant,  
15 or CDBG grant, the HOME grant, and the Emergency  
16 Shelter Grant, which has been changed to the  
17 Emergency Solutions Grant.

18 These annual appropriations are awarded  
19 to us through HUD to administer. The CDBG grant  
20 is administered as part of the consortium to the  
21 local municipalities for eligible programs,  
22 affordable housing, etcetera. The HOME program  
23 is awarded based on application to various  
24 profits, not-for-profits. And the Emergency  
25 Solutions Grant is an ever evolving, in the world



2 of HUD, grant, specifically for homeless  
3 shelters.

4 The projects are geared towards income  
5 eligible, low to moderate income eligible  
6 residents of Nassau County.

7 That's it.

8 LEGISLATOR DeRIGGI-WHITTON: Just as a  
9 quick question. Are you involved with, like, the  
10 waiting list for housing or anything like that or  
11 just the financial end?

12 MR. MARIN: That's -- that's the Section  
13 8 program, or the housing choice voucher program.  
14 That's none of these grants.

15 LEGISLATOR DeRIGGI-WHITTON: I'm sorry?

16 MR. MARIN: That is not any of these  
17 grants that's before this body.

18 LEGISLATOR DeRIGGI-WHITTON: Oh.

19 MR. MARIN: Our agency administers that.  
20 But that's not what I'm here on today.

21 LEGISLATOR DeRIGGI-WHITTON: When you  
22 mentioned the first grant, though, can you  
23 restate that again?

24 MR. MARIN: The community development  
25 block grant, CDBG?

2 LEGISLATOR DeRIGGI-WHITTON: And the  
3 next one was?

4 MR. MARIN: The HOME Investment  
5 Partnership program --

6 LEGISLATOR DeRIGGI-WHITTON: That one.

7 MR. MARIN: Yes.

8 LEGISLATOR DeRIGGI-WHITTON: That  
9 doesn't involve anything with finding homes for  
10 Section 8 or low income?

11 MR. MARIN: No.

12 LEGISLATOR DeRIGGI-WHITTON: What is it  
13 again? Can you just describe it again?

14 MR. MARIN: The HOME program, that deals  
15 with the very poor residents of Nassau County,  
16 specifically 50 to 80 percent of the area median  
17 income. With that we've done several projects.  
18 One of our crown jewels, if you will, is the old  
19 Hofstra Library, the Twin Oaks project, which was  
20 93 affordable housing units for \$1 million in  
21 HOME money. It was in connection with other  
22 money. It was about a \$30 million project, which  
23 has recently been completed. So it's projects  
24 like that, where we either are GAAP financing --  
25 predominantly GAAP financing, in terms of -- for

2 larger programs, larger scale programs so that we  
3 get the most bang for our buck.

4 We also do with the HOME program, the  
5 first-time homebuyer down payment assistance  
6 program. That's an annual program that we've  
7 done the last several years which has been very  
8 successful.

9 Those type of programs.

10 CHAIRMAN NICOLELLO: Legislator Troiano,  
11 did you have a question?

12 LEGISLATOR TROIANO: Can you also  
13 provide us with some more details on how the, for  
14 example, the \$12 million-plus is being allocated  
15 in different communities in Nassau for the CDBG  
16 money?

17 MR. MARIN: Sure. The local  
18 municipalities submit to us a wish list, if you  
19 will, an application. Each of the municipalities  
20 has a mini office likes ours. They assess the  
21 needs of their community and come up with a  
22 determination of what their community needs, what  
23 projects, so long as they are eligible under  
24 federal guidelines. They submit that  
25 application. They want to do what they want to

2 do for their communities. We make a  
3 determination based on the application, and we  
4 fund it. Then we monitor it and HUD monitors us  
5 as well as them. The construction usually,  
6 whether it's rehab, streetscape, or commercial  
7 façade, rehabilitation, etcetera, etcetera, is  
8 reimbursed to the municipality. They submit  
9 vouchers. It goes through the vouchering  
10 process, if you will, county vouchering process.  
11 The comptroller reviews the contracts that we've  
12 entered into with the municipality and it's paid.  
13 Then we monitor for compliance and HUD also  
14 monitors us as well.

15 LEGISLATOR TROIANO: Do you have that  
16 much discretion as to what communities get and  
17 how much money? It sounds like you get a list  
18 from all the communities and then you decide who  
19 is going to get money.

20 MR. MARIN: We --

21 LEGISLATOR TROIANO: Just to carry the  
22 thought all the way through. If you have \$12  
23 million, you couldn't allocate all 12 million,  
24 for example, to Westbury.

25 MR. MARIN: Correct. We try to be as

2 fair as possible.

3 LEGISLATOR TROIANO: Well, I'm glad you  
4 try to be as fair. What I'm trying to figure out  
5 is how much discretion do you have and how it  
6 gets allocated. Could you allocate all \$12  
7 million to one community if you wanted to?

8 MR. MARIN: I would -- I would say that  
9 in theory we could, but I think that would be the  
10 last year that Nassau County would have a  
11 consortium and we wouldn't get any funding the  
12 next year.

13 LEGISLATOR TROIANO: Because the federal  
14 government would come down on you for that?

15 MR. MARIN: I'm sorry?

16 LEGISLATOR TROIANO: Because the federal  
17 government would come down on you for that?

18 MR. MARIN: Because the other members of  
19 the consortium would withdraw. What's the  
20 purpose of being part of a Nassau County  
21 consortium if you --

22 LEGISLATOR TROIANO: Okay. So then you  
23 do have that much discretion, and you could do  
24 that if you wanted to.

25 MR. MARIN: I mean, okay, in theory.

2 But in practical sense, no.

3 LEGISLATOR TROIANO: So then what  
4 criteria do you use to determine who gets how  
5 much money?

6 MR. MARIN: The viability of projects.  
7 The success of the area in spending the money. I  
8 mean, we're limited in the sense that the  
9 projects are based on federal requirements. It's  
10 income eligibility. It's certain HUD criteria.  
11 You can't just do what you want to do with the  
12 money. If that's what you're asking, if I'm  
13 misunderstanding your question. It's very  
14 nuanced and focused to what HUD wants and allows  
15 to spend the money on. Removal of blight,  
16 etcetera, etcetera. So it's -- these programs  
17 are specifically geared and have the requirements  
18 to focus on the low to moderately low income  
19 residents of Nassau County in a way to most  
20 benefit them through affordable housing.

21 LEGISLATOR TROIANO: So the community  
22 has to meet certain demographic criteria in order  
23 to even be considered for funding --

24 MR. MARIN: Correct.

25 LEGISLATOR TROIANO: or even to apply.

2 MR. MARIN: Correct. And that's  
3 determined by HUD. That's not determined by our  
4 office.

5 LEGISLATOR TROIANO: So, like the Sands  
6 Point community would not be a recipient.

7 MR. MARIN: No.

8 LEGISLATOR TROIANO: Thank you.

9 Do you have a listing of what communities  
10 have gotten how much money this year?

11 MR. MARIN: I believe that was provided  
12 to all legislators. My understanding is it was.

13 LEGISLATOR TROIANO: This side of the  
14 aisle didn't get that. Did you get that?

15 MR. MARIN: That's my understanding. It  
16 was like this thick. What we're asking this body  
17 to approve is essentially the action plan which  
18 we then submit to HUD for their approval, which  
19 is an annual requirement.

20 LEGISLATOR TROIANO: So on the CDBG  
21 money, this year Nassau County's getting 12.2  
22 million, how does that compare to last year?

23 MR. MARIN: That's a 14 percent decrease  
24 from last year, and last year's allocation was an  
25 18 percent decrease from the year before. And

1 for the HOME, that's about a 47 percent decrease.  
2 We got about 3.7 million the year before and  
3 we're only getting 1.7 million this year.

4  
5 LEGISLATOR TROIANO: And what's the  
6 cause of the decrease?

7 MR. MARIN: Smaller budget for HUD.  
8 It's not anything that we've done. It's a  
9 systematic decrease in HUD's budget --

10 LEGISLATOR TROIANO: So throughout the  
11 country we expect to get the same kind of  
12 decrease.

13 MR. MARIN: Absolutely. Absolutely.

14 LEGISLATOR TROIANO: Thank you.

15 MR. MARIN: Thank you.

16 CHAIRMAN NICOLELLO: Just to follow up  
17 on a couple of questions. In terms of the  
18 decreases that we've seen in the CDBG from the  
19 federal government, has the percentage decreases  
20 to the local municipalities been about the same  
21 as to what you're getting from the federal  
22 government or is one community or some  
23 communities seeing more of a decrease than  
24 others?

25 MR. MARIN: We've tried to be as fair as



2 possible. We've tried to take a three-year  
3 snapshot of funding awards, and over that three  
4 years make the decrease within the same, you  
5 know, give or take a few percentile points.

6 I don't think you'll see a 50 percent  
7 reduction and then a 50 percent increase in any  
8 of our awards.

9 CHAIRMAN NICOLELLO: Do you have any  
10 idea, any information coming from Washington as  
11 to next year, whether any funding restored or  
12 further cuts?

13 MR. MARIN: I think at this point --  
14 this is my opinion and I'm just going to be very  
15 frank with this body. I think if they cut any  
16 further the programs will lose any impact, quite  
17 frankly, and certainly it would be almost  
18 impossible to administer because our salaries are  
19 paid out of these grants, with a percentage cap  
20 for each grant. CDBG has a 20 percent admin cap.  
21 HOME has a 10 percent admin cap. So as the  
22 decreases come, that also decreases our staff  
23 budget and we are at bare bones. We have a very,  
24 very, very qualified and capable staff that are  
25 doing an amazing job and truly believe and care

2 for these programs and do the best that they can.  
3 We truly are doing more with less. But if it  
4 gets much worse, the work will suffer.

5 CHAIRMAN NICOLELLO: Legislator Walker.

6 LEGISLATOR WALKER: For all of those who  
7 applied and qualified for the grant, were we able  
8 to give them some percentage of the monies? We  
9 didn't leave any specific area out or if we had  
10 to leave an area out we made sure that the  
11 following year they were -

12 MR. MARIN: We funded all the consortium  
13 members. We have not excluded. All that have  
14 submitted an application have received funding.  
15 We did not exclude anyone -- any municipality  
16 that submitted an application. So that we did  
17 our best to make sure that everyone's needs --

18 LEGISLATOR WALKER: Everyone received  
19 something.

20 MR. MARIN: Yes. It's cut but they're  
21 still able to run a successful program, and  
22 that's the most important thing.

23 LEGISLATOR WALKER: And I just would  
24 like to take a moment just to thank you. Any  
25 time that I had to make a call, especially for

2 those who needed emergency shelter, the advice  
3 you gave, and we reached out to those people, I  
4 just can't thank your department enough for doing  
5 that.

6 MR. MARIN: It's our pleasure. We have  
7 a very dedicated staff.

8 CHAIRMAN NICOLELLO: Any other  
9 questions?

10 (No verbal response.)

11 Thank you.

12 MR. MARIN: Thank you.

13 CHAIRMAN NICOLELLO: Any public comment?

14 (No verbal response.)

15 All those in favor of this item signify  
16 by saying aye.

17 (Aye.)

18 Those opposed?

19 (No verbal response.)

20 Carries unanimously.

21 Next items are 479, 480, 481, 483, 484,  
22 485-2012, which are all resolutions to authorize  
23 the transfer of appropriations heretofore made  
24 within the budget for the year 2012. This  
25 involves the medical examiner's office, health

2 department, emergency management, social  
3 services, the legislature, and public works.

4 LEGISLATOR GONSALVES: So moved.

5 LEGISLATOR WALKER: Second.

6 CHAIRMAN NICOLELLO: Moved by Legislator  
7 Gonsalves, seconded by Legislator Walker.

8 Any questions on these items? Legislator  
9 DeRiggi-Whitton.

10 LEGISLATOR DeRIGGI-WHITTON: Is there  
11 someone here?

12 CHAIRMAN NICOLELLO: Do we have anyone  
13 from budget, I think it would be? Do you have a  
14 specific item that you have a question on?

15 LEGISLATOR DeRIGGI-WHITTON: I was just  
16 curious if this is all coming from the  
17 contingency budget and how much this adds up to,  
18 and if it's coming from the 13 million.

19 MR. NAUGHTON: Hi. Sorry. I just  
20 walked in.

21 CHAIRMAN NICOLELLO: Mr. Naughton.

22 MR. NAUGHTON: Which item were we  
23 calling?

24 CHAIRMAN NICOLELLO: There are a series  
25 of items involving transfers and appropriations.

2 I think it's 479 through 485. I think you have  
3 more of a general question rather than a specific  
4 question, in terms of where the money comes from  
5 for these items.

6 Do you want to repeat the question,  
7 Legislator?

8 LEGISLATOR DeRIGGI-WHITTON: Sure. Is  
9 this also coming from the contingency line  
10 budget, the transfers?

11 MR. NAUGHTON: I'm sorry. I don't have  
12 479 with me. I was here for 498.

13 MR. BRODERICK: Good afternoon. Paul  
14 Broderick, Department of Social Services.

15 In general, I'm not in a position to  
16 answer that question. I can answer my item,  
17 which is Item 483, for the Department of Social  
18 Services. This is grant money. We're just  
19 looking to move money from within the grant, from  
20 the contractual line to the salary line. This  
21 has no impact on -- I'm not really sure what you  
22 were referring to before, contingency monies or  
23 something. This is within a grant for this item.

24 LEGISLATOR DeRIGGI-WHITTON: So that's  
25 money coming from your own department with a

2 grant that's already been awarded to you.

3 MR. BRODERICK: Let me make sure I'm  
4 clear. This is grant money, 100 percent grant  
5 money, within the grant fund that's going from  
6 one budget line to another budget line. This is  
7 no county money involved. We're just doing it  
8 just to leverage the funds that we have available  
9 to us.

10 LEGISLATOR DeRIGGI-WHITTON: So that  
11 would not, from what I understand, be considered  
12 anything to do with the contingency balance that  
13 we have, the 13 million at the end of 2011?

14 MR. BRODERICK: None whatsoever. At  
15 least on this item.

16 LEGISLATOR DeRIGGI-WHITTON: Thank you.

17 MS. DOOLING: Hi. Karen Dooling from  
18 the medical examiner's office. My item is 479,  
19 and that's the same. It's 100 percent grant  
20 funds. We're just moving money. It's the same  
21 situation.

22 LEGISLATOR DeRIGGI-WHITTON: Okay.  
23 Thank you.

24 MS. SOUSA: I'm Anna Sousa, Deputy  
25 Commissioner for Administration. I'm here for

2 Item 480, totaling \$81,872. And it's also the  
3 same explanation. It's 100 percent -- actually,  
4 it's a number of budget transfers for about seven  
5 grants. It's 100 percent grant funded. We've  
6 received the awards, it's just moving them around  
7 between expense lines.

8 LEGISLATOR DeRIGGI-WHITTON: Okay.  
9 Thank you.

10 MR. DELANEY: Tom Delaney, OEM. This  
11 one is for \$500,000 in grant funds that we were  
12 previously awarded to do some training for our  
13 inter-operable communications plan. We're never  
14 going to be able to deliver on that. We asked  
15 FEMA for a waiver. We're going to buy radios  
16 instead. We were also successful in obtaining a  
17 waiver for the 25 percent match that Nassau  
18 County would have had to have provided.

19 LEGISLATOR DeRIGGI-WHITTON: Alright.  
20 Good.

21 MR. DELANEY: This is going to be a nice  
22 little benefit to us.

23 LEGISLATOR DeRIGGI-WHITTON: That's  
24 great. Thank you.

25 MR. BUTLER: John Butler, Department of

2 Public Works. We're just also moving \$40,000  
3 from DD to DE line to cover expenses.

4 LEGISLATOR DeRIGGI-WHITTON: Thank you.  
5 Thank you, Mr. Chair. I just was curious as to  
6 where the funds were coming from and, you know,  
7 how much exactly was being transferred.

8 CHAIRMAN NICOLELLO: The only one that  
9 wasn't addressed I guess was the legislative one.  
10 It's coming from contractual salaries into  
11 salaries and general expenses.

12 Any other questions?

13 (No verbal response.)

14 Any public comment?

15 (No verbal response.)

16 All those in favor of these items signify  
17 by saying aye.

18 (Aye.)

19 Those opposed?

20 (No verbal response.)

21 They carry unanimously.

22 Items 486, 487, 488, 489, 490, 491-2012,  
23 which are all ordinances supplemental to the  
24 annual appropriation ordinance in connection with  
25 the youth board, district attorney's office,



2 health department, department of social services  
3 and real estate services.

4 LEGISLATOR WALKER: So moved.

5 LEGISLATOR MUSCARELLA: Second.

6 CHAIRMAN NICOLELLO: Moved by Legislator  
7 Walker, seconded by Legislator Muscarella.

8 These items were heard in health, public  
9 safety, and planning committees earlier.

10 Do we have any questions on these six  
11 items?

12 (No verbal response.)

13 Item 491-2012 was amended in the Planning  
14 Committee.

15 Given no questions, any public comment?

16 (No verbal response.)

17 No public comment.

18 All those in favor signify by saying aye.

19 (Aye.)

20 Those opposed?

21 (No verbal response.)

22 Those items carry unanimously.

23 Item 493 is a resolution approving a  
24 federal aid project administered by the New York  
25 State Department of Transportation and

2 authorizing the County of Nassau to participate  
3 in the non-federal share of the cost of  
4 construction and in the cost of construction of  
5 supervision and inspection of the project.

6 LEGISLATOR GONSALVES: So moved.

7 LEGISLATOR WALKER: Second.

8 CHAIRMAN NICOLELLO: Moved by Legislator  
9 Gonsalves, seconded by Legislator Walker.

10 Any questions on Item 493, which went  
11 through Public Works earlier?

12 (No verbal response.)

13 Seeing no questions. Any public comment?

14 (No verbal response.)

15 All those in favor of this item signify  
16 by saying aye.

17 (Aye.)

18 Those opposed?

19 (No verbal response.)

20 It carries unanimously.

21 494-2012 is a resolution authorizing the  
22 county executive to execute an amendment to an  
23 inter-municipal agreement with the Village of  
24 Valley Stream.

25 LEGISLATOR MUSCARELLA: So moved.

2 LEGISLATOR GONSALVES: Second.

3 CHAIRMAN NICOLELLO: Moved by Legislator  
4 Muscarella, seconded by Legislator Gonsalves.

5 Any questions on this item?

6 (No verbal response.)

7 Any public comment?

8 (No verbal response.)

9 All those in favor signify by saying aye.  
10 (Aye.)

11 Those opposed?

12 (No verbal response.)

13 This carries unanimously.

14 Next three items are 498, 499, and 500-  
15 2012. These are resolutions to authorize the  
16 transfer of appropriations heretofore made within  
17 the budget for the year 2012.

18 Is there any one to speak on these items?  
19 Mr. Naughton.

20 MR. NAUGHTON: Eric Naughton, Director,  
21 Office of Management and Budget.

22 CHAIRMAN NICOLELLO: Could you briefly  
23 explain what these items are doing, why we're  
24 doing these items?

25 MR. NAUGHTON: Sure. When the budget

1 was adopted the budget plan was to assume that we  
2 would achieve about \$150 million in labor  
3 savings. Most of that savings was put into the  
4 salary lines. However, when you look back at it,  
5 some of it should have been put into fringe  
6 benefits. Year to date we have achieved about  
7 \$120 million of annualized savings. What this  
8 transfer does is outline the budget more in line  
9 with the savings that we have achieved. So we're  
10 moving roughly about \$25 million from fringe  
11 benefit savings and about \$20 million from the  
12 contingency lines to the departments where they  
13 were set aside for. And this will enable all the  
14 departments to make their payrolls for the year.

16 CHAIRMAN NICOLELLO: Before we go  
17 further, I didn't take a motion on this.

18 LEGISLATOR WALKER: So moved.

19 LEGISLATOR GONSALVES: Second.

20 CHAIRMAN NICOLELLO: Moved by Legislator  
21 Walker, seconded by Legislator Gonsalves.

22 Does anyone have any questions for Mr.  
23 Naughton? Legislator Bosworth.

24 LEGISLATOR BOSWORTH: Good afternoon,  
25 Mr. Naughton.

2 MR. NAUGHTON: Good afternoon,  
3 Legislator Bosworth.

4 LEGISLATOR BOSWORTH: Thank you. So  
5 these are not transfer funds that are coming from  
6 grants, as was presented before. These are  
7 transfers of funds that are coming from one part  
8 of the budget to another.

9 MR. NAUGHTON: That is correct.

10 LEGISLATOR BOSWORTH: It just seems to  
11 me that we're only six or seven months into the  
12 budget and we're making tremendous amounts of  
13 transfers and they're being done on salary lines  
14 and overtime lines. The question is -- and I  
15 know you started explaining that. What do you  
16 attribute that to?

17 MR. NAUGHTON: Sure. Each month the  
18 Office of Management and Budget does monthly  
19 projections and we update it. We pretty much are  
20 in the line with the Office of Legislative Budget  
21 Review, the Comptroller's office. Instead of  
22 coming back here every month to say here's what  
23 we think we're going to need and do it piecemeal,  
24 we felt that it was better to give you an outline  
25 of the entire picture for the fiscal year and

2 let's solve the problem right now as opposed to  
3 doing a little bit in September, a little bit in  
4 October and not giving you the full picture. So  
5 we thought it was more open and better for all of  
6 you if you saw the magnitude of the situation.

7 LEGISLATOR BOSWORTH: According to your  
8 own -- the fiscal report that came out from the  
9 County -- let me see what the date is -- June,  
10 June 21. You are saying that your salary  
11 expenses are going to be \$122.7 million higher  
12 than the 2012 adopted budget.

13 MR. NAUGHTON: That is accurate.

14 LEGISLATOR BOSWORTH: So this money is  
15 going to be transferred from -- and you talked  
16 about coming from fringe benefits and those kinds  
17 of savings. So it would seem that you have \$40  
18 million that you are moving from the retiree  
19 health system or the money that you had allocated  
20 for retiree insurance.

21 MR. NAUGHTON: It's a combination of all  
22 fringe benefits. Most of it is health insurance  
23 related, which would include active employees as  
24 well as the retirees. As we have reduced the  
25 county's staff by nearly 400 people this year,

2 that also yields savings on the health insurance  
3 side.

4           LEGISLATOR BOSWORTH:     I also see that  
5 one of the savings that you are going to be  
6 looking at is 34 million from debt service costs,  
7 which I would imagine is as a result of  
8 allocating for debt service. There hasn't been  
9 bonding so you haven't incurred more debt  
10 service, right?

11           MR. NAUGHTON:     I don't believe in this  
12 transfer we are moving any money from debt  
13 service. But we are saving money in debt service  
14 this year.

15           LEGISLATOR BOSWORTH:     So I guess -- and  
16 this is in your purview. But if there's \$34  
17 million that's being saved in debt service, is  
18 there not any way that that money could be used  
19 for some of the vital things that we're losing  
20 such as youth board?

21           MR. NAUGHTON:     Legislator Bosworth, I  
22 think if you look at some of the other areas you  
23 may see some areas where we are short in areas.  
24 There is some department revenue that maybe  
25 short. So we need to look at the finances

2 globally, and we feel that although there's  
3 savings in that one line, there are other areas  
4 that we may need to make up for. As you are well  
5 aware, there is bonding for tax certs that looks  
6 very unlikely. We may have to cover that  
7 shortfall as well.

8           LEGISLATOR BOSWORTH: I do know that.  
9 But I am looking at this line that shows so many  
10 millions of dollars in savings. Fortunately, the  
11 retirement bill for the insurance is -- really,  
12 \$40 million is a lot of money. I'm looking at  
13 the tremendous amount of money that has been not  
14 budgeted appropriately. We're talking about \$122  
15 million that we're going to be paying more in  
16 salaries than has been budgeted for.

17           I know also with the police department --  
18 and I remember us questioning this when the  
19 budget was first proposed, when only \$22 million  
20 was allocated for police overtime, and we looked  
21 at the items which showed that the year before it  
22 was 50 million and the year before that it was 48  
23 million, and questioned why are we appropriating  
24 so little. We were told no, no, no it's okay.  
25 But yet, in fact, the projection comes out to be



2 almost \$50 million in overtime again. So I'm  
3 looking at these budgetary discrepancies and it's  
4 just a cause of concern that so soon into the  
5 budgetary year we're actually faced with millions  
6 and millions of dollars of budget transfers.

7 Just a statement. Thank you.

8 CHAIRMAN NICOLELLO: Legislator DeRiggi-  
9 Whitton.

10 LEGISLATOR DeRIGGI-WHITTON: Thank you.  
11 Out of this \$26.8 million, how much of this is  
12 coming from contingency?

13 MR. NAUGHTON: Roughly \$20.5 million is  
14 coming from contingency. There are two parts to  
15 contingency. Roughly a million and a half  
16 dollars was set aside for the board of elections,  
17 and the other 20 million was set aside for the  
18 police department to address, essentially, the  
19 overtime issue that Legislator Bosworth was  
20 speaking about.

21 LEGISLATOR DeRIGGI-WHITTON: What was  
22 the board of elections? What was the specific  
23 reason for that?

24 MR. NAUGHTON: There was money set aside  
25 in case for primaries and in case they were not

2 able to achieve their savings that were put into  
3 the budget. The budget assumed savings of  
4 roughly \$3.6 million.

5 LEGISLATOR DeRIGGI-WHITTON: Just so I  
6 understand. So \$20 million is coming from  
7 contingency. Did that 13 million that was  
8 leftover from 2011, did that go towards this?

9 MR. MR. NAUGHTON: No. That was last  
10 year. This is a new contingency line.

11 LEGISLATOR DeRIGGI-WHITTON: So I still  
12 have a problem with that, as to where that 13  
13 million ended up. I can't conceptualize where it  
14 is. Is it still listed as a profit in 2011?

15 MR. NAUGHTON: No, it's not a profit.  
16 It's a surplus in that line item. But as the  
17 comptroller stated just the other week, the  
18 county ended last fiscal year with a deficit of  
19 \$50 million, mostly attributed to the lack of  
20 bonding.

21 LEGISLATOR DeRIGGI-WHITTON: So the 13  
22 million was transferred before that 50 million  
23 was decided upon?

24 MR. NAUGHTON: It all rolls up into your  
25 bottom line, to get to that bottom number.

2 LEGISLATOR DeRIGGI-WHITTON: I'm just  
3 curious as to how it was transferred. Like, we  
4 didn't vote on any transfers.

5 MR. NAUGHTON: You don't transfer it.  
6 You just add up all your surpluses and deficits  
7 and you come off the bottom line.

8 LEGISLATOR DeRIGGI-WHITTON: So that  
9 could have been put into areas that we're not  
10 even aware of to make up the difference in a  
11 budget issue.

12 MR. NAUGHTON: No. The money was not  
13 spent in that line item.

14 LEGISLATOR DeRIGGI-WHITTON: I'm just  
15 amazed that \$13 million could be moved into  
16 another area without us even being aware of it,  
17 no matter how you want to call it. If it's end  
18 of the year, finishing your account, I understand  
19 that. But I think at some point we, up here,  
20 should have some idea how these monies are being  
21 moved around.

22 MR. NAUGHTON: Legislator, we do not  
23 move the money. That 13 million gets offset by  
24 other areas where there were deficits.

25 LEGISLATOR DeRIGGI-WHITTON: So the

2 deficit would have been about 63 million had that  
3 13 million not been used?

4 MR. NAUGHTON: I wouldn't word it that  
5 way.

6 LEGISLATOR DeRIGGI-WHITTON: If we  
7 didn't have 13 million to offset a further  
8 deficit, I would say the deficit would have been  
9 63 million, correct?

10 MR. NAUGHTON: The budget is made up of  
11 thousands of line items. You can pick out any  
12 item and describe it that way.

13 LEGISLATOR DeRIGGI-WHITTON: How much  
14 again is budgeted for the contingency for 2012?

15 MR. NAUGHTON: We had roughly \$20.5  
16 million for 2012.

17 LEGISLATOR DeRIGGI-WHITTON: How much?

18 MR. NAUGHTON: Roughly, you had a  
19 million and a half in board of elections and  
20 slightly over 19 million in police department.

21 LEGISLATOR DeRIGGI-WHITTON: So we're  
22 using our full amount of contingency right now?

23 MR. NAUGHTON: That is correct.

24 LEGISLATOR DeRIGGI-WHITTON: So we have  
25 nothing left to transfer for the end of the year

2 if we run short?

3 MR. NAUGHTON: Our job is to manage this  
4 budget. If there's a shortfall somewhere else,  
5 we will be making cut. The county exec today  
6 spoke of areas that we were making changes. And  
7 we will manage this budget. We will be, at  
8 least, budgetary balance, if not better by year  
9 end.

10 LEGISLATOR DeRIGGI-WHITTON: That's  
11 interesting to know, that right now on this vote  
12 we are using up our whole contingency budget in  
13 one vote and it's only July.

14 MR. NAUGHTON: If you prefer the police  
15 officers not to be paid, that is your  
16 prerogative.

17 LEGISLATOR DeRIGGI-WHITTON: No, I  
18 don't. I'd just like to be aware of what we're  
19 doing when we do it. After today our contingency  
20 budget will be zero, right?

21 MR. NAUGHTON: That is correct.

22 LEGISLATOR DeRIGGI-WHITTON: Okay.  
23 That's it.

24 LEGISLATOR MUSCARELLA: Mr. Chairman?

25 CHAIRMAN NICOLELLO: Legislator

2 Muscarella.

3 LEGISLATOR MUSCARELLA: Mr. Naughton,  
4 correct me if I'm wrong, wasn't that what the  
5 minority was advocating for a couple of weeks  
6 ago, to use the contingency budget?

7 MR. NAUGHTON: Yes.

8 LEGISLATOR MUSCARELLA: Did I not ask  
9 the question that we -- by doing that we might  
10 incur possible financial ramifications from  
11 bonding agencies and the like?

12 MR. NAUGHTON: Right.

13 LEGISLATOR MUSCARELLA: But that's what  
14 we're doing, which was advocated by the minority.

15 MR. NAUGHTON: Yes. We are moving the  
16 contingency funds.

17 LEGISLATOR MUSCARELLA: Thank you.

18 CHAIRMAN NICOLELLO: And just -- you  
19 started off by saying this. Could you tell us  
20 again what the labor savings were to date in  
21 2012?

22 MR. NAUGHTON: We have achieved \$120  
23 million of annualized savings to date.

24 CHAIRMAN NICOLELLO: And that includes  
25 various actions, including layoffs, correct?

2 MR. NAUGHTON: That includes the  
3 layoffs. That includes the various incentives,  
4 attrition, retirement, eliminating vacant lines,  
5 savings in health insurance, worker's comp,  
6 everything labor related.

7 CHAIRMAN NICOLELLO: Various actions  
8 obviously that are painful to take, but achieved  
9 a savings or part of the savings that were  
10 necessary.

11 MR. NAUGHTON: That is correct. With  
12 more to come.

13 CHAIRMAN NICOLELLO: And thus far the  
14 savings through negotiations haven't  
15 materialized.

16 MR. NAUGHTON: That is correct. The  
17 budget assumed roughly \$75 million in management  
18 actions and \$75 million in concessions; we have  
19 received no concessions so everything's been  
20 through management.

21 CHAIRMAN NICOLELLO: Even after you did  
22 your additions and subtractions, including adding  
23 the 13 million and offsetting that with whatever,  
24 last year because of the lack of approval of  
25 bonding for refunds, we finished with a -- we

2 would have finished with a 40-something-million-  
3 dollar deficit, right?

4 MR. NAUGHTON: Correct.

5 CHAIRMAN NICOLELLO: We filled that from  
6 the use of reserves.

7 MR. NAUGHTON: Yes. I mean, the actions  
8 last year -- we started the year with a fund  
9 balance of roughly 90, and we ended with about 40  
10 million.

11 CHAIRMAN NICOLELLO: Just so we're  
12 clear, the 13 million is not available for any  
13 purpose.

14 MR. NAUGHTON: That is correct.

15 CHAIRMAN NICOLELLO: Okay. Thank you.  
16 Any other questions?

17 LEGISLATOR DeRIGGI-WHITTON: Can I just  
18 have one more question?

19 CHAIRMAN NICOLELLO: Sure.

20 LEGISLATOR DeRIGGI-WHITTON: Getting  
21 back, just prior to that when we used to account  
22 for tax certs, we would have budgeted the 50  
23 million, correct, in the year before.

24 MR. NAUGHTON: In year's past we  
25 budgeted, but the county almost used borrowing to



2 cover tax cert debt.

3 LEGISLATOR DeRIGGI-WHITTON: Right.

4 But, you know, taking out that 50 million and  
5 then we end up with 50 million in, you know, that  
6 we're in debt for, you can really see where that  
7 came in with not having that in our budget.

8 Just getting back to one other thing. As  
9 far as, like, projecting, all I'm hearing from  
10 all different reports is that we're going to come  
11 up with a shortfall again this year. So I can't  
12 see how you can say that we have all these  
13 savings at this point when we're only in July,  
14 and from all the other reports that I've been  
15 reading, we're going to end up with like \$120  
16 million in debt.

17 MR. NAUGHTON: I don't know where you  
18 read 120 million.

19 LEGISLATOR DeRIGGI-WHITTON: It was the  
20 office of the budget in salaries report. It  
21 seemed that every department was over budget so  
22 far.

23 MR. NAUGHTON: I believe what you just  
24 stated is similar to the number that we set for  
25 salaries savings, which is why we're here today,

2 moving money to cover the salary shortfalls.

3           LEGISLATOR DeRIGGI-WHITTON:     So what  
4 you're saying is we're going to find this 70  
5 million or -- I forget, I don't want to misquote  
6 you, but the amount that you said -- it's really  
7 premature. According to all the other reports,  
8 we're really headed down -- we're still in debt  
9 in every department. I think we're kind of  
10 congratulating ourselves a little early on  
11 savings if it looks like we're going to end up in  
12 debt again.

13           MR. NAUGHTON:     You're not going to end  
14 up in debt. You may have a shortfall in a salary  
15 line. As Legislator Bosworth stated, you're  
16 showing \$31 million surplus in debt service,  
17 you're showing over \$20 million in sales tax.  
18 When you make all these other cuts, you will have  
19 a balanced budget.

20           LEGISLATOR DeRIGGI-WHITTON:     You think  
21 so? I've heard overtime is going to be up a lot  
22 higher, like police overtime and things.

23           MR. NAUGHTON:     Police overtime will be  
24 consistent, if not slightly better than the  
25 actual for last year.

2 LEGISLATOR DeRIGGI-WHITTON: So as far  
3 as you're concerned, right now we're getting the  
4 reports that almost every department is coming in  
5 over budget, that we'll be alright at the end of  
6 the year?

7 MR. NAUGHTON: Departments may be over  
8 budget on their salary line, but the county as a  
9 whole will be balanced.

10 CHAIRMAN NICOLELLO: Any other  
11 questions? Legislator Bosworth.

12 LEGISLATOR BOSWORTH: I'd just like to  
13 have Mr. Chalmers come up. I know we're hearing  
14 and it's great if it's so, \$120 million in labor  
15 savings. I would just like to hear from the  
16 Office of Legislative Budget Review if that's  
17 substantiated.

18 MR. CHALMERS: Maurice Chalmers, Office  
19 of Independent Budget Review.

20 LEGISLATOR BOSWORTH: We hear that  
21 there's \$120 million in labor savings, which is  
22 significant. We'd just like to know if you've  
23 been able to substantiate that.

24 MR. CHALMERS: No. We could ask the  
25 Office of Budget to give us a breakdown of the

2 items they include. As of right now, we don't  
3 know what items they included. I believe NIFA  
4 said they saw it as close to 90 to 100 million.  
5 They may have included some items that we are not  
6 aware of that could bring it up to 120. But as  
7 of right now we have not seen the details of the  
8 120.

9           LEGISLATOR BOSWORTH:     So may I request  
10 that we get that accounting from the Office of  
11 Budget so that we're able to see exactly where  
12 that \$120 million comes from?

13           MR. CHALMERS:     We will put in the  
14 request, yes.

15           LEGISLATOR BOSWORTH:     Thank you.

16           MR. NAUGHTON:     I believe there may be a  
17 budget review meeting coming up, and at that  
18 meeting will be more than happy to outline the  
19 savings for you.

20           LEGISLATOR BOSWORTH:     Wonderful. Thank  
21 you.

22           CHAIRMAN NICOLELLO:     The meeting will be  
23 this Thursday.

24           LEGISLATOR BOSWORTH:     In that case, when  
25 we get that information, Mr. Chalmers, will you

also be doing that analysis? Sorry.

MR. CHALMERS: We are currently in the process of doing a countywide projection, so we will have projections for that meeting. That item, we'll break down the \$120 million also.

CHAIRMAN NICOLELLO: Thank you.

LEGISLATOR BOSWORTH: Would you also update the staffing and salary analysis?

MR. CHALMERS: As part of our projection, we will have the new budgeted salary deficit.

LEGISLATOR BOSWORTH: Okay. Thank you.

CHAIRMAN NICOLELLO: Thank you.

Any other questions?

(No verbal response.)

Any public comment?

(No verbal response.)

All those in favor signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

Carries unanimously.

Item 504-2012 is a bond ordinance providing for a capital expenditure to finance a

2 project under the environmental program  
3 established pursuant to Title 59 of the  
4 Miscellaneous Laws of Nassau County, authorizing  
5 \$531,250 of bonds of the County, to finance said  
6 expenditure.

7 LEGISLATOR MUSCARELLA: So moved.

8 LEGISLATOR WALKER: Second.

9 CHAIRMAN NICOLELLO: Moved by Legislator  
10 Muscarella, seconded by Legislator Walker.

11 Any questions on this item?

12 (No verbal response.)

13 Any public comment?

14 (No verbal response.)

15 Those in favor signify by saying aye.

16 (Aye.)

17 Those opposed?

18 (No verbal response.)

19 It carries unanimously.

20 Do I have a motion to suspend the rules?

21 LEGISLATOR MUSCARELLA: So moved.

22 LEGISLATOR GONSALVES: Second.

23 CHAIRMAN NICOLELLO: Moved by Legislator  
24 Muscarella, seconded by Legislator Gonsalves.

25 Item 492-2012, a resolution approving a

2 federal aid project administered by the New York  
3 State Department of Transportation and  
4 authorizing the County of Nassau to participate  
5 in the non-federal share of the cost of  
6 construction and in the cost of construction  
7 supervision, etcetera, with respect to project  
8 identified as PIN 0760.05.

9 LEGISLATOR WALKER: So moved.

10 LEGISLATOR MUSCARELLA: Second.

11 CHAIRMAN NICOLELLO: Moved by Legislator  
12 Walker, seconded by Legislator Muscarella.

13 Any questions on this item?

14 (No verbal response.)

15 Any public comment?

16 (No verbal response.)

17 All those in favor signify by saying aye.

18 (Aye.)

19 Those opposed?

20 (No verbal response.)

21 It carries unanimously.

22 Items 506, 507, 508, 509, 510, 511, 512,  
23 and 513 are resolutions authorizing and directing  
24 the treasurer of Nassau County to assign certain  
25 tax lien certificates in connection with premises

2 located in the Town of North Hempstead, Town of  
3 Oyster Bay, and Town of Hempstead.

4 LEGISLATOR WALKER: So moved.

5 LEGISLATOR GONSALVES: Second.

6 CHAIRMAN NICOLELLO: Moved by Legislator  
7 Walker, seconded by Legislator Gonsalves.

8 Any questions on these items?

9 (No verbal response.)

10 Any public comment?

11 (No verbal response.)

12 All those in favor signify by saying aye.

13 (Aye.)

14 Those opposed?

15 (No verbal response.)

16 Carries unanimously.

17 Items 533 and 534-2012 are ordinances

18 supplemental to the annual appropriation

19 ordinance in connection with the Office of Real

20 Estate Services. These items went through

21 planning before.

22 LEGISLATOR GONSALVES: So moved.

23 LEGISLATOR WALKER: Second.

24 CHAIRMAN NICOLELLO: Moved by Legislator  
25 Gonsalves, seconded by Legislator Walker.



2 Any questions on these two items?

3 (No verbal response.)

4 Any public comment?

5 (No verbal response.)

6 Those in favor signify by saying aye.

7 (Aye.)

8 LEGISLATOR TROIANO: I'm sorry.

9 Presiding Officer, I didn't quite know where we  
10 were. I'm sorry.

11 CHAIRMAN NICOLELLO: Sure. 533 and 534.

12 Do you have questions?

13 LEGISLATOR TROIANO: 533 and 534?

14 CHAIRMAN NICOLELLO: Yeah.

15 LEGISLATOR TROIANO: One second.

16 CHAIRMAN NICOLELLO: These are the items  
17 involving federal funds for transportation and  
18 state fund for transportation. It went through  
19 planning before. We had a presentation by Deputy  
20 County Executive Walker.

21 LEGISLATOR TROIANO: Unfortunately, I  
22 wasn't here for that. Is he going to come back  
23 or is somebody else going to speak to this?

24 CHAIRMAN NICOLELLO: Let's see. Mr.  
25 Walker obviously is not in the room. I don't

2 know if we have anyone else here.

3           Maybe it's a question we can answer,  
4 having sat through his presentation.

5           LEGISLATOR TROIANO:     Maybe what?

6           CHAIRMAN NICOLELLO:     Maybe it's a  
7 question we can answer, having sat through his  
8 presentation.

9           LEGISLATOR TROIANO:     Perhaps.   Good luck  
10 with that.

11           But I think I understand what the purpose  
12 of this -- of these grants are.   What I'm not  
13 clear about is why we are also increasing the  
14 size and scope -- at least the size, the dollar  
15 size of the Veolia contract in concert with  
16 receipt of this money.   I would have thought that  
17 this would have taken us off the hook for \$7  
18 million in payments to Veolia.   Instead, we're  
19 actually going to give them more money than we  
20 agreed to back in, I guess, December.   So how  
21 about it, Mr. Nicoletto?

22           CHAIRMAN NICOLELLO:     Having listened to  
23 his presentation, I think the point was that the  
24 -- without the additional funding that some of  
25 the bus routes would be in jeopardy.   I think

2 with the additional funding they were able to  
3 maintain all of the bus routes that could have  
4 been lost were it not for the additional funds.  
5 On a going forward basis, they're going to  
6 continue to apply for these funds and hopefully  
7 the state especially will continue to allocate  
8 these monies.

9           LEGISLATOR TROIANO:     So we already  
10 experienced cuts in service, and that was done I  
11 think to stop from having to pay Veolia even  
12 more.

13           CHAIRMAN NICOLELLO:    I'm not sure if I  
14 follow that.

15           LEGISLATOR TROIANO:    Okay. I think it's  
16 correct that Veolia's instituted cuts in service  
17 already this year.

18           CHAIRMAN NICOLELLO:    I think they cut  
19 some services but they added other services -- I  
20 don't know what the net result of that is -- in  
21 an attempt to improve the services that they're  
22 offering.

23           LEGISLATOR TROIANO:    So, in this case,  
24 in order to prevent further cuts we're going to  
25 be paying them more?

CHAIRMAN NICOLELLO: That's my understanding.

LEGISLATOR TROIANO: It's really not fair to put you in this situation, Rich, because you don't really know because you're not part of the administration. Can we have somebody from the administration?

CHAIRMAN NICOLELLO: Right. Again, we can go with this as far as we can, if you really want the deputy county executive to come in.

LEGISLATOR TROIANO: This is something I think that's really very basic. We're saying that what we've allocated, what we contracted with Veolia for is insufficient, it sounds like - explain it to me. I don't understand. We're increasing the contract by another \$7 million.

Ah, here we go. Thank you for coming back down. Should I ask my question?

CHIEF DEPUTY COUNTY EXECUTIVE WALKER: If you don't mind.

LEGISLATOR TROIANO: In addition to asking us to accept two different grants totaling roughly \$7 million, we are also being asked to approve an increase in the Veolia contract by an

2 amount that was to be the same by the total grant  
3 funding.

4 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:

5 Correct.

6 LEGISLATOR TROIANO: It appears to me  
7 that the expenses that are being incurred by  
8 Veolia must be higher by \$7 million than were  
9 originally anticipated. Is that correct?

10 CHIEF DEPUTY COUNTY EXECUTIVE WALKER: I

11 wouldn't say originally anticipated. When the  
12 \$106 million was crafted, 106.1 or whatever the  
13 exact amount to the pennies were, it was at that  
14 time that the contractor was able to do certain  
15 things. They were able to -- and this was by  
16 contract. They were able to eliminate, I  
17 believe, four routes. They could have eliminated  
18 four routes right off the bat of the  
19 implementation of the contract. They were able  
20 to look at any route that I think was subsidized,  
21 meaning subsidized, it had less than eight people  
22 per route. Roughly, I think it was the 25  
23 percent number. Don't quote me, but I think  
24 right around that. If it was basically  
25 underutilized and it was funded by taxpayers or

1 subsidized in the form of 75 percent, they were  
2 able to realign those routes.

3  
4           When they started operating, obviously  
5 they started looking at all of these different  
6 things. They started evaluating. They started  
7 evaluating use. They actually added routes.  
8 They added express routes. They started getting  
9 a real count and fare box, how fare box was  
10 calculated. They actually looked at how many  
11 people were riding each route. And at that point  
12 we knew we were going to get into the budget  
13 season with the state, and we knew that the STOA  
14 dollars obviously could have went either way;  
15 they could have increased or decreased. We asked  
16 them at that point to please not make any rush to  
17 judgment, in terms of just arbitrarily ending a  
18 route or canceling a route, or realigning a route  
19 until they really did their due diligence and  
20 until we knew where the state was going to, in  
21 fact, be. So they basically looked at the system  
22 and said we're going to make some realignments.  
23 There's going to be some efficiencies. There's  
24 actually going to be some uptick, like the  
25 express routes and things of that nature, that

2 actually increased fare box, which is also a  
3 component of where our whole entire budget falls  
4 into place.

5           So at that point, we were left with a  
6 decision, meaning the county and the county  
7 legislature, the county executive in the forms of  
8 the submittal to the legislature on what we  
9 believed should the system be run at. At that  
10 point we knew our fare box revenue was coming in  
11 at -- we knew the fare box was coming in  
12 increased, we knew that there were the additional  
13 STOA dollars in place at \$4 million, and we knew  
14 that the FTA aid was going to be roughly three  
15 million and change. We said at that point, do  
16 not cancel the routes, do not just arbitrarily,  
17 you know, take into consideration that you have  
18 to make four route reductions. Let's not do  
19 that. We have people that are riding, we have  
20 ridership. Run the system at what we believe the  
21 dollars were going to be, which was that 113.5 or  
22 113.6. You can say, yes, expenses were up; they  
23 really weren't. Yes and no. The expenses were  
24 up because we knew that revenue had come in.  
25 They were basically doing it on their own. They

2 had to run a \$106 million system. If we do not  
3 have this amendment go forth, they would  
4 obviously have to make additional cuts to get up  
5 to that 106, but they would actually have to  
6 implement those cuts. We didn't believe it was  
7 prudent because we knew how negotiations with the  
8 state were, both the Senate and Assembly put in  
9 additional STOA aid. They would have to eat that  
10 money. It would have been on their dime, not the  
11 county dime. The county was only paying 106.  
12 There would have been no loss to the county  
13 taxpayer. The county would not be obliged to pay  
14 not one more dollar or one more penny over the  
15 \$106 million. They did it basically, again, at  
16 the beginning on their own. And now with the  
17 dollars that we knew were coming in, they are now  
18 running the system at 113.5.

19 LEGISLATOR TROIANO: But without finding  
20 fault with anybody, with the county or with  
21 Veolia, it seems apparent to me that it's more  
22 expensive to run the system as you want to see it  
23 run, than we initially thought. We thought it  
24 would be done for 106 million; now we found out  
25 that it can't. We need another 7 million to



2 supplement it, to maintain the service we have  
3 today.

4 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:

5 Not to argue. But I would say it could be run at  
6 106, but you would have further reductions that  
7 they were allowed to make by this contract --

8 LEGISLATOR TROIANO: I understand. But

9 that means what we wanted to have a bus system  
10 could not have been run for 106 million without  
11 making more cuts.

12 CHIEF DEPUTY COUNTY EXECUTIVE WALKER: I

13 guess yes and no. I think the original contract  
14 -- here's the only thing that differs. The  
15 original contract, we are actually having more  
16 service than the original contract called for.  
17 Yes, we are. Four routes would have been cut in  
18 its entirety, which was allowed. This  
19 Legislature unanimously passed a contract that  
20 allowed Veolia to cut, outright, four routes,  
21 whatever route they wanted to cut. Routes that  
22 were not being run as efficiently or not  
23 producing the revenue, they were allowed to cut.  
24 They were allowed to do that. So you would have  
25 saw a bus service that unanimously passed this

2 legislature at \$106 million. We didn't feel that  
3 that was prudent, in fact, because we knew these  
4 additional dollars would come in. Actually, we  
5 have expanded upon what the original contract  
6 actually called for. That's why you had no route  
7 reductions. You did not have the routes  
8 cancelled. All you had was realignment.

9           LEGISLATOR TROIANO: My colleague is  
10 just dying to have her chance at this, but I'm  
11 not quite done yet. She wants to talk to you  
12 about this subject. If I can come back with some  
13 other questions, Mr. Nicolello.

14           CHAIRMAN NICOLELLO: Legislator DeRiggi-  
15 Whitton.

16           LEGISLATOR DeRIGGI-WHITTON: In February  
17 when they came back to us, at the end of the day  
18 we said what are all these realignments doing?  
19 The representative from NICE said, Veolia said  
20 it's going to be a seven percent reduction. They  
21 added a few routes. All in all, there was a  
22 seven percent reduction in routes in February, no  
23 question. It was their quote.

24           CHIEF DEPUTY COUNTY EXECUTIVE WALKER: I  
25 think you are completely wrong.

2 LEGISLATOR DeRIGGI-WHITTON: No. It was  
3 on the record.

4 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
5 I'm not going to argue with you. But there has  
6 not been one route reduced. There has been  
7 realignment.

8 LEGISLATOR DeRIGGI-WHITTON: Yes, there  
9 has. Even in Glen Cove, there are less routes  
10 going on Saturdays --

11 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
12 Those are called buses, not routes. Less buses,  
13 not routes.

14 LEGISLATOR DeRIGGI-WHITTON: So let's  
15 say that the bus -- each time the bus follows the  
16 route has been reduced by seven percent as of  
17 February.

18 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
19 It's not a route reduction. That's less buses.  
20 That is a realignment of the actual number of  
21 buses, not route reduction.

22 LEGISLATOR DeRIGGI-WHITTON: So when we  
23 say, okay, you've added some and you've reduced  
24 some, what's the difference? He said seven  
25 percent have been cut. Okay? So that basically

2 means that the services are reduced by seven  
3 percent. And what Robert's been saying is it's  
4 great that we found this \$7 million grant this  
5 year, but what if we don't get that next year?  
6 What's going to happen if we don't get the money  
7 from the state?

8 CHIEF DEPUTY COUNTY EXECUTIVE WALKER: I  
9 said this earlier. We can all speak upon  
10 hypotheticals. The state legislature may decide  
11 to cut it in half and then this legislature is  
12 left with a decision on how you do the contract.  
13 That's why it's a 15 month contract. That's why  
14 you have the transit committee that's also going  
15 to meet and approve, we believe will approve this  
16 contract and approve the amendment. They will  
17 meet again next year. You know how those state  
18 dollars are. And it's up to this County  
19 Legislature to decide what dollars are going to  
20 be put forth. I can't speak on your behalves; I  
21 will only speak on mind.

22 LEGISLATOR DeRIGGI-WHITTON: What Robert  
23 just said is that technically we were just giving  
24 this \$7 million, which was a fantastic gift,  
25 which is keeping us, maybe you said, even a

2 little bit better than we expected. Plus, we  
3 also had the seven percent reduction. So,  
4 although I understand that you want to taught the  
5 way that this is working and that you are happy  
6 with it, the reality is that there really has  
7 been a significant decrease in service.

8 CHIEF DEPUTY COUNTY EXECUTIVE WALKER: I  
9 completely disagree with you.

10 LEGISLATOR DeRIGGI-WHITTON: I know you  
11 do. But you can't disagree with the numbers.

12 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
13 You're entitled to your opinion; I will be  
14 entitled to mine. I think you're completely  
15 inaccurate.

16 LEGISLATOR DeRIGGI-WHITTON: Our  
17 opinions are backed up by facts --

18 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
19 Okay.

20 LEGISLATOR DeRIGGI-WHITTON: which is  
21 that we got \$7 million, which we could never  
22 guarantee getting again. We were lucky to get it  
23 and I am grateful that we got it. And we did  
24 reduce a seven percent bus -- whatever you want  
25 to call it -- bus trips, if you want to use that

1 word. Basically, there's been a reduction in  
2 service and there's been an increase in funding  
3 from another source, which we can't guarantee in  
4 the future.

5  
6 CHAIRMAN NICOLELLO: Before I go to  
7 Legislator Troiano, perhaps you should have a  
8 conversation with Legislator Jacobs, since you  
9 are so dissatisfied with the service, because she  
10 was just complimenting Mr. Walker and Veolia for  
11 the service that they're operating. Maybe she's  
12 dealing with different facts than you are.

13 LEGISLATOR DeRIGGI-WHITTON: I'm sure  
14 that she has some things. But I also have  
15 constituents in Glen Cove that are very upset.  
16 If fact, one I got a call from about a caregiver  
17 that can no longer come because her route was cut  
18 on Saturday mornings at 10. So, you know --

19 CHAIRMAN NICOLELLO: On the other hand,  
20 as they testified back here in December, there  
21 were some routes that had so few individuals  
22 taking them, that these individuals were  
23 basically being subsidized to the tune of three,  
24 four, \$5,000 a year. And the question was, okay,  
25 why don't we just buy those people cars?

2 Obviously, this system needed to be changed, in  
3 any event.

4 LEGISLATOR DeRIGGI-WHITTON: But you  
5 have to --

6 CHAIRMAN NICOLELLO: I think the MTA, I  
7 don't think they were looking at how to do it  
8 most efficiently.

9 LEGISLATOR DeRIGGI-WHITTON: But  
10 realistically we need to just show that there has  
11 been a seven percent route decrease, or however  
12 you want to call it --

13 CHAIRMAN NICOLELLO: There has not been  
14 a route decrease.

15 LEGISLATOR DeRIGGI-WHITTON: There's  
16 been a seven percent service decrease and there's  
17 been \$7 million that's been given to supplement  
18 this program.

19 CHAIRMAN NICOLELLO: I disagree with the  
20 seven percent service decrease because they have  
21 increased service in different areas.

22 LEGISLATOR DeRIGGI-WHITTON: No. He  
23 said it himself. It's on the record. Because,  
24 at the end of the day, I said are you increased a  
25 little bit or decreased a little bit, what was

2 the difference? And he's the one that gave that  
3 number, it didn't come from me.

4 CHAIRMAN NICOLELLO: I didn't hear that.

5 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:

6 We have more riders than ever rode this system  
7 before. So I guess somehow the people are  
8 counting each other twice or something. I don't  
9 know.

10 CHAIRMAN NICOLELLO: Legislator Troiano.

11 LEGISLATOR TROIANO: Actually, my  
12 colleague asked some of the questions that I had  
13 intended to ask.

14 I just want to remind you that it's  
15 getting a little bit antagonistic here.  
16 Remember, this side of the aisle voted for this  
17 contract as well. So we own it as much as you  
18 do. When we ask these questions, just with the  
19 interest of getting information, understanding  
20 what's happening with the performance of the  
21 contract, as well as what we can anticipate  
22 happening next year, perhaps. And so there's  
23 been some debate about whether or not there's  
24 extra cost to operate this system than what we  
25 thought. But I do think I heard you say, Rob,



2 that without this additional \$7 million it's  
3 likely there would have been service cuts between  
4 now and the end of the year.

5 CHIEF DEPUTY COUNTY EXECUTIVE WALKER: I  
6 definitely agree. That's why I said if you take  
7 the original contract which, again, this  
8 legislature, as you said, unanimously supported  
9 the legislation, was going to call for, I believe  
10 it was four or it could have been five, and I  
11 don't remember what the number was, complete  
12 route reductions. Those routes would have been  
13 eliminated. Those routes would have been gone.  
14 We knew already that there was going to be  
15 realignment. The realignment that called for in  
16 the contract was Veolia had the right to adjust  
17 any route that had fewer than I think it was  
18 eight bodies. It was roughly 25 percent,  
19 roughly, and most buses operate at about 40 or so  
20 people. That they had the right, by this  
21 legislature and the county executive afforded  
22 them that opportunity to do that. They didn't do  
23 that at all. As I said, no one route was  
24 reduced. Not one route was eliminated at all.  
25 They have the same amount of routes today. In

2 fact, they actually have more. They have more  
3 routes today than they had previously. So that's  
4 actually the facts.

5 LEGISLATOR TROIANO: Again, you're  
6 putting yourself in a defensive position. We're  
7 not even arguing that; at least I'm not arguing  
8 that. My concern is that -- my interest is that  
9 -- I think you just stated again -- that without  
10 this \$7 million it's likely that services will  
11 have to be cut.

12 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
13 Oh, 100 percent.

14 LEGISLATOR TROIANO: Thank you. So  
15 that's instructive for us for next year, when it  
16 comes to looking at the budget for the county,  
17 including the bus system, to understand that we  
18 don't seem to be able to operate the system as  
19 it's constructed right now on \$106 million. And  
20 the forecast, we need another seven million.  
21 It's like the forecast that was done back in  
22 December is probably going to be short by \$7  
23 million again.

24 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
25 No. Here's the one -- maybe. Again, I don't

1 want to speak in hypotheticals. The last thing I  
2 will say is everything is going to be rosy and  
3 we're going to have a great day and we're going  
4 to actually expand upon more buses. The one  
5 thing is certain, I think I said this to  
6 Legislature Jacobs before.

8           It behooves all of us to deal with our  
9 senate and assembly delegation. Again, this is a  
10 bipartisan issue. Everyone unanimously supported  
11 this, and I think it is a good endeavor. The  
12 county is saving millions of dollars, we are  
13 sure, from what the MTA was going to be, which  
14 would have saw a 50, over 50 percent route  
15 eliminations. We stopped all that from  
16 happening. I believe in this case we have to  
17 urge our assembly and senate delegation during  
18 their budget process, you know, to continue to  
19 put the dollars forth. Obviously, we cannot  
20 speak on behalf of either one of those, of those  
21 bodies and governor. So it behooves us to all  
22 work together to make sure we have additional  
23 dollars.

24           But the other thing is Veolia still has  
25 not realized all of the efficiencies that they're

2 going to realize. Perfect example is in Able  
3 Ride, where they have not been able to achieve  
4 some of the savings that they want to achieve;  
5 they believe they will, but it is going to take  
6 some time. They're not going to find every  
7 efficiency overnight. It was never going to  
8 happen. They are working. They are going to  
9 continue to work.

10 They are going to continue to find other  
11 operational efficiencies. We also have some  
12 efficiencies that we are working with them on, in  
13 terms of contract purchasing and things of that  
14 nature, where our contracts are cheaper. I  
15 mentioned the natural gas; just that contract  
16 alone has saved millions to this county but also  
17 millions to the bus operation. So there's going  
18 to continue to be operational efficiencies. I am  
19 hopeful that the state money will continue to  
20 increase not decrease. If it decreases, then  
21 we're going to be back and deal with the dollars  
22 we have. This county executive and county  
23 legislature may put additional dollars into it.

24 No one has a crystal ball as to what is  
25 going to happen. But we believe this is the best

1 way to spend this money. We believe that having  
2 the dollars -- we negotiated constantly with  
3 Senator Fuschillo, who is the Chairman of the  
4 Senate Transportation Committee. And I think  
5 it's important for us to have somebody from  
6 Nassau County that actually serves -- that's the  
7 committee that these dollars actually are derived  
8 from. It's their budget, during the budget  
9 negotiations that the money comes from. We need  
10 to continue to work hard and get that money. If  
11 the money's not there, there's going to be an  
12 issue. It's going to be settled with the  
13 legislature as to how they allocate money or not  
14 allocate money.

16 LEGISLATOR TROIANO: You may have spoken  
17 to this already. Was this grant applied for last  
18 year?

19 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
20 STOA money is filed every year. The county has  
21 always received STOA dollars. In fact, it used  
22 to actually go directly to the MTA. Again, it's  
23 done in confines of the operational budget of the  
24 state. When the state passes it, it's part of  
25 the transportation or TEB bill, Transportation

2 Economic Bill. So it's done every year. We  
3 apply. It's based upon the number of people that  
4 actually utilize the service, which in our case  
5 it's good because it's actually going up, and  
6 travel miles, and things of that nature, rider  
7 miles, and things of that nature. But, yes, it's  
8 applied for every year. Again, in the past it  
9 went directly to the MTA because they were the  
10 ones applying. We applied actually this year for  
11 the first time.

12 The FTA, we work with the FTA  
13 consistently on the capital program and also on  
14 federal operating dollars.

15 LEGISLATOR TROIANO: Do we know what the  
16 MTA might have gotten last year?

17 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
18 Four million dollars less than we received this  
19 year.

20 LEGISLATOR TROIANO: I'm sorry?

21 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
22 We got an increase of \$4 million.

23 LEGISLATOR TROIANO: We got an increase  
24 of \$4 million?

25 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:

2 Correct.

3 LEGISLATOR TROIANO: So the two grants  
4 come to roughly \$7 million --

5 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
6 Correct.

7 LEGISLATOR TROIANO: Last year we got \$3  
8 million -- MTA would have gotten \$3 million.

9 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
10 The MTA dollars, I'm not sure exactly what we  
11 received. But I know with the STOA it's exactly  
12 \$4 million -- a little over \$4 million more than  
13 we received last year.

14 LEGISLATOR TROIANO: So when we did the  
15 budget for this year's operation, we didn't  
16 include any of that in the budget?

17 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
18 No, we didn't. We didn't have it yet. When we  
19 did the initial budget -- the initial budget was  
20 done back in 2011. The state budget is done in  
21 April 2012. We applied back in 2011 to receive  
22 the 2012 dollars. It's roughly -- their fiscal  
23 cycle is April to March.

24 LEGISLATOR TROIANO: I assume we knew  
25 the MTA had gotten money in the past.

2 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:

3 Yes.

4 LEGISLATOR TROIANO: And that we would  
5 have baked into our budget some number.

6 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:

7 We did the same amount as what the MTA achieved.

8 LEGISLATOR TROIANO: Did the same  
9 amount, roughly three million?

10 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:

11 No, no. The overall STOA dollars is upwards of  
12 over 40, \$50 million, the operational aid.

13 LEGISLATOR TROIANO: So whatever the MTA  
14 got --

15 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:

16 We budget the same exact amount.

17 LEGISLATOR TROIANO: So this \$7 million,  
18 \$7 million above what was gotten last year?

19 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:

20 Correct. Four million in STOA, three in FTA.

21 LEGISLATOR TROIANO: So all of it is new  
22 money? All of it is fresh money?

23 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:

24 Yes.

25 LEGISLATOR TROIANO: Okay.



2 CHIEF DEPUTY COUNTY EXECUTIVE WALKER: I  
3 just don't know what the FTA number was last  
4 year. It could have been five bucks. It would  
5 have been two and a half million. We can now be  
6 getting seven. I just don't know what last  
7 year's FTA dollars were.

8 LEGISLATOR TROIANO: I apologize one  
9 more time because I think you may have said it  
10 just a couple of minutes ago. We got \$7 million  
11 in total more this year because of what reasons?

12 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
13 Really, again, it comes down to your lobbying  
14 effort. We were working very diligently with --  
15 in this case, again, Senator Fuschillo's the  
16 Chairman of the Senate Transportation Committee,  
17 so during the budget process, when they have  
18 their conference committees, the senator was very  
19 supportive of Nassau County getting additional  
20 dollars, as then was the Assembly because they  
21 obviously both have to pass it in order for it to  
22 come about. But we continued to, you know,  
23 continually worked with him as he was, in our  
24 case, the driving force behind the transportation  
25 dollars and the budget in the state.

2 LEGISLATOR TROIANO: Thank you.

3 CHAIRMAN NICOLELLO: Legislator  
4 Bosworth.

5 LEGISLATOR BOSWORTH: So I can  
6 understand why there seems to be a discrepancy  
7 between what Legislator DeRiggi-Whitton is saying  
8 and what Legislator Jacobs is saying because  
9 Legislator DeRiggi-Whitton is seeing not route  
10 eliminations but service reductions, and so  
11 that's of concern. On the other hand, I have had  
12 the experience similar to Legislator Jacobs,  
13 which is that when we call -- or when my office  
14 gets in touch with Mr. Setzer, he has been  
15 amazingly responsive. And I do believe that the  
16 intent is to provide bus service to the county  
17 that is as good as they can. And I know that we  
18 appreciate what Veolia is doing. In that vein, I  
19 still do have some questions.

20 Actually, hi, Mr. Walker. But this I  
21 think is more for Mr. Chalmers. He's going to be  
22 so thrilled with me because I keep calling him  
23 up.

24 There have been a lot of -- I'll wait  
25 till you come. Thank you for coming up again.

2           There have been a lot of numbers are  
3 being stated, and that's understandable. This is  
4 a very complex contract and it is certainly a  
5 very large contract providing tremendous service  
6 for the county. From what you can tell, are  
7 there any overages in the Veolia contract that we  
8 haven't accounted for in 2012?

9           MR. CHALMERS: I'd have to go back and  
10 take a look at it. From the top of my head, I  
11 don't see any overages, no.

12           LEGISLATOR BOSWORTH: Okay. And is  
13 there any projected for -- what's the projection  
14 for 2013?

15           MR. CHALMERS: They are projected to be  
16 on budget.

17           LEGISLATOR BOSWORTH: On budget?

18           MR. CHALMERS: Correct.

19           LEGISLATOR BOSWORTH: Okay. And we do  
20 have a report from your office, and it's dated  
21 November 29, 2011, about the fiscal impact  
22 statement. Could I ask for that to be updated?

23           MR. CHALMERS: Yes, yes. Not a problem.  
24 We'll get you an update.

25           LEGISLATOR BOSWORTH: I'm sorry? What?

2 MR. CHALMERS: We will run you an update  
3 to that, yes.

4 LEGISLATOR BOSWORTH: Okay. Great.  
5 Thanks so much. Thank you.

6 CHAIRMAN NICOLELLO: Just a couple of  
7 things. Number one, any reports you're doing,  
8 obviously you'll share them with the Presiding  
9 Officer and Minority Leader, right?

10 MR. CHALMERS: That is correct. Any  
11 requests on the floor of the Legislature goes to  
12 both sides.

13 CHAIRMAN NICOLELLO: Secondly, you may  
14 want to pick a seat that's closer to the front.

15 MR. CHALMERS: I'm starting to realize  
16 that, yes.

17 LEGISLATOR BOSWORTH: Just one  
18 additional question.

19 CHAIRMAN NICOLELLO: Sure.

20 LEGISLATOR BOSWORTH: When you say  
21 they're on budget, is that on budget for the 106  
22 or on budget for the projected now 113?

23 MR. CHALMERS: Last projection that was  
24 done, they were on budget for the 106. Like I  
25 said earlier, we are in the process of doing the

2 2012 projections, which we are working back and  
3 forth with the budget office. They are -- they  
4 should be reducing the Q2 I believe sometimes  
5 today, and at that point we'll see if the number  
6 changed.

7 LEGISLATOR BOSWORTH: Thank you.

8 CHAIRMAN NICOLELLO: I thinking -- I  
9 think when you make these requests of Mr.  
10 Chalmers, I think maybe both sides should operate  
11 through the leadership, just so he knows what  
12 he's supposed to be looking at. We may say  
13 something and it may not be exactly as we want it  
14 to. So maybe we'll just follow up in writing  
15 with something from the leadership saying this is  
16 what we want you to do. Does that sound fair?

17 LEGISLATOR BOSWORTH: Of course. Sure.

18 CHAIRMAN NICOLELLO: Legislator DeRiggi-  
19 Whitton.

20 LEGISLATOR DeRIGGI-WHITTON: I'm sorry.  
21 I just have one more question for Mr. Walker if  
22 that's okay.

23 Just something that you said just stuck  
24 with me. When you said some of the savings or  
25 profits haven't been realized and you brought up

2 Able Ride, how do you see that in the future?

3 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:

4 No. I didn't say profits, I said efficiencies.  
5 There has been efficiencies that are made. I  
6 can't speak on behalf of Veolia, nor will I  
7 attempt to. It's just that when we have  
8 discussions with them, there's operational  
9 efficiencies, dispatching and things of that  
10 nature that they haven't realized as of yet. So  
11 they're still working through that. Again, it's  
12 like any operation you come into, you're not  
13 going to make all of your operational  
14 efficiencies overnight. They've only been here  
15 for seven months, and they're going to continue  
16 to have efficiencies as it --

17 LEGISLATOR DeRIGGI-WHITTON: Excuse me  
18 for interrupting. But since you specifically  
19 mentioned that you anticipate savings --

20 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:

21 No. I said they do.

22 LEGISLATOR DeRIGGI-WHITTON: You  
23 mentioned it just a little while ago that one of  
24 the ones that have not been realized yet is Able  
25 Ride. How do you anticipate that that could be -

2 -

3 CHIEF DEPUTY COUNTY EXECUTIVE WALKER: I  
4 just told you. What they've said is that they  
5 believe there is going to be operational  
6 efficiencies in Able Ride, such as dispatching.  
7 They haven't been able to realize those savings  
8 yet because they're still learning the operation.

9 LEGISLATOR DeRIGGI-WHITTON: Do you see  
10 -- has there been any mention of any further cuts  
11 to Able Ride?

12 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
13 No. It's operational efficiencies. Operational.  
14 The contract that was passed by this legislature  
15 that there is no change to Able Ride for a period  
16 of time, that's not changing at all. That's in  
17 the contract. They cannot change that at all.

18 LEGISLATOR DeRIGGI-WHITTON: I know. I  
19 remember. I think it was three years. Is that  
20 correct?

21 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
22 Correct.

23 CHAIRMAN NICOLELLO: My understanding is  
24 that one of the things that they were trying to  
25 do is put more people on to each Able Ride's bus,

2 and that they had some logistical problems at  
3 least at the outset, and Mr. Setzer was very  
4 honest about that. So, I mean, that's one of the  
5 areas where they're trying to achieve  
6 efficiencies and it wasn't working out initially.  
7 But there's obviously going to be a shakedown.

8 LEGISLATOR DeRIGGI-WHITTON: Honestly,  
9 it was just Mr. Walker's comment that just stuck  
10 in my mind about that, that's why I wanted to  
11 question it. I remember them saying they  
12 wouldn't touch it for three years. I just wanted  
13 to make sure.

14 CHIEF DEPUTY COUNTY EXECUTIVE WALKER:  
15 This has nothing to do with the pickup and  
16 distribution of dollars and cents. It has to do  
17 with their operational efficiencies that they  
18 must operate it.

19 LEGISLATOR DeRIGGI-WHITTON: And I'm  
20 glad to hear that.

21 CHAIRMAN NICOLELLO: Any other  
22 questions? Legislator Bosworth.

23 LEGISLATOR BOSWORTH: I said, of course,  
24 too quickly, about the letter coming through the  
25 leadership, because in the past, certainly



2 legislators have the right to ask for a report  
3 and you're all hearing it. I think maybe if our  
4 leadership has a problem with it, maybe they  
5 would let us know.

6 CHAIRMAN NICOLELLO: The only concern I  
7 have is we make these oral requests and, you  
8 know, it's sometimes better to put it into  
9 writing so that he knows exactly what he's  
10 looking for. We may think we're asking one thing  
11 and then actually they come back in a week with  
12 another --

13 LEGISLATOR BOSWORTH: I'd be happy to --  
14 although it's certainly I think okay to ask on  
15 the floor, it certainly never hurts to follow up  
16 with a letter. But I'm not relinquishing my  
17 right to ask on the floor.

18 CHAIRMAN NICOLELLO: Absolutely.

19 LEGISLATOR BOSWORTH: Okay.

20 CHAIRMAN NICOLELLO: Any other  
21 questions?

22 (No verbal response.)

23 Any public comment?

24 (No verbal response.)

25 All those in favor of these two items

2 signify by saying aye.

3 (Aye.)

4 Those opposed?

5 (No verbal response.)

6 It passes unanimously.

7 Item 535-2012 is an ordinance to  
8 authorize the county executive to execute an  
9 amendment to a contract with Veolia  
10 Transportation, Inc., for the management,  
11 operation, and maintenance of Nassau County Bus.

12 LEGISLATOR WALKER: So moved.

13 LEGISLATOR GONSALVES: Second.

14 CHAIRMAN NICOLELLO: Moved by Legislator  
15 Walker, seconded by Legislator Gonsalves.

16 Are there any questions on this item?

17 (No verbal response.)

18 Any public comment?

19 (No verbal response.)

20 All those in favor signify by saying aye.

21 (Aye.)

22 Those opposed?

23 (No verbal response.)

24 Carries unanimously.

25 Motion to adjourn by Legislator

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91

2 Muscarella, seconded by Legislator Walker.

3 All in favor signify by saying aye.

4 (Aye.)

5 Those opposed?

6 (No verbal response.)

7 Carries unanimously.

8 Rules is next.

9 (Whereupon, the Finance Committee  
10 adjourned at 4:19 p.m.)

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C E R T I F I C A T E

I, FRANK GRAY, a Shorthand Reporter and Notary Public in and for the State of New York, do hereby state:

THAT I attended at the time and place above mentioned and took stenographic record of the proceedings in the above-entitled matter;

THAT the foregoing transcript is a true and accurate transcript of the same and the whole thereof, according to the best of my ability and belief.

IN WITNESS WHEREOF, I have hereunto set my hand this 7th day of August, 2012.

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FRANK GRAY