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NASSAU COUNTY LEGISLATURE

NORMA GONSALVES,
Presiding Officer

FINANCE COMMITTEE

RICHARD NICOLELLO, Chairman

1550 Franklin Avenue
Mineola, New York

Monday, July 29, 2013
3:43 P.M

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2 A P P E A R A N C E S :

3

4 RICHARD NICOLELLO,
Chairman5 VINCENT MUSCARELLA,
Vice Chairman

6

ROSE MARIE WALKER

7

MICHAEL VENDITTO

8

9 DAVID DENENBERG,
Ranking10 JUDI BOSWORTH (Substituted by
Kevan Abrahams)

11

DELIA DeRIGGI-WHITTON

12

13 WILLIAM J. MULLER, III
Clerk of the Legislature

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1 Finance Committee/7-29-13

2 CHAIRMAN NICOLELLO: Calling the
3 Finance Committee to order. I would ask the
4 clerk to call the roll, please.

5 CLERK MULLER: Legislator
6 DeRiggi-Whitton?

7 LEGISLATOR DeRIGGI-WHITTON: Here.

8 CLERK MULLER: Legislator
9 Bosworth?

10 LEGISLATOR BOSWORTH: Here.

11 CLERK MULLER: Ranking Member
12 Denenberg?

13 LEGISLATOR DENENBERG: Here.

14 CLERK MULLER: Legislator

15 Venditto?

16 LEGISLATOR VENDITTO: Here.

17 CLERK MULLER: Legislator Walker?

18 LEGISLATOR WALKER: Here.

19 CLERK MULLER: Vice Chairman

20 Muscarella? I believe he's here. And
21 Chairman Nicoletto?

22 CHAIRMAN NICOLELLO: Here.

23 LEGISLATOR ABRAHAMS: Mr. Muller,
24 I'm substituting for Legislator Bosworth.

25 CLERK MULLER: And you are here.

1 Finance Committee/7-29-13

2 CHAIRMAN NICOLELLO: The first
3 item is 291 of 2013, an ordinance providing
4 for a capital expenditure to finance the
5 payment of certain payments by the county of
6 Nassau to employees of the Nassau County
7 Police Department upon separation from
8 employment and authorizing \$30,600,000 of
9 bonds of the County of Nassau to finance
10 said expenditure and making certain
11 determinations pursuant to SEQRA.

12 LEGISLATOR VENDITTO: So moved.

13 LEGISLATOR MUSCARELLA: Second.

14 CHAIRMAN NICOLELLO: Moved by
15 Legislator Venditto, seconded by Legislator
16 Muscarella. Mr. May.

17 MR. MAY: We have Ms. Roseanne
18 D'Alleva from the Office of Management and
19 Budget to answer any questions on this item.

20 MS. D'ALLEVA: Good afternoon.

21 Any questions?

22 CHAIRMAN NICOLELLO: Why don't
23 you just briefly describe for us what this
24 is.

25 MS. D'ALLEVA: This is to allow

1 Finance Committee/7-29-13
2 us to bond and finance termination pay for
3 the police department because we do not have
4 it budgeted in the operating budget.

5 CHAIRMAN NICOLELLO: Do we know
6 how many police officials are retiring?

7 MS. D'ALLEVA: We anticipate for
8 the entire year that we are projecting 125
9 retirements. So far 39 have exited.

10 CHAIRMAN NICOLELLO: When you say
11 for entire year, do they have until the end
12 of the year to retire, there is no specific
13 deadline; is that correct?

14 MS. D'ALLEVA: That's correct.

15 CHAIRMAN NICOLELLO: This figure
16 of \$30,600,000 is based on the estimate of
17 125 will retire?

18 MS. D'ALLEVA: Well, we have 39
19 that have completely separated and 65 or 67
20 I believe have put in papers so we have a
21 good estimation as to -- a good
22 approximation as to how much it will cost
23 for the remainder of the year.

24 CHAIRMAN NICOLELLO: I see Deputy
25 Commissioner Krumpter is here.

1 Finance Committee/7-29-13

2 MS. D'ALLEVA: Yes.

3 COMMISSIONER KRUMPTER: Good
4 afternoon. Deputy Commissioner Thomas
5 Krumpter.

6 At this point in time, we have
7 either separated or filed for separation.
8 As of today, 70 police officers. It's
9 anticipated we will lose through attrition,
10 that's total attrition, retirement
11 termination, disability pensions, and other
12 reasons for separation somewhere in the
13 neighborhood of 130 to 150 police officers
14 through this year.

15 I would say the bottom of the
16 number will be the 130. I can't see any
17 less than that actually separating from the
18 police department this year.

19 MS. D'ALLEVA: And their average
20 termination pay is about \$246,000.

21 CHAIRMAN NICOLELLO: Mr. Krumpter,
22 we have classes lined up for the police
23 academy?

24 COMMISSIONER KRUMPTER: Yes, at
25 this point in time it is going to be really

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2 tough in that area over the next several
3 years. We do expect upwards of 600 people
4 separating between this year and the end of
5 15. We did put a class in of 38 and that
6 was really to get the ball rolling. We do
7 expect to put a class in either at the end
8 of August or the first week of September.
9 We're fine tuning that, and then one more
10 class this year, and then we will be
11 prepared to put a class in January.

12 Attrition will dictate how we
13 hire going forward. That is being taken
14 into consideration as we prepare the budget
15 this year. So we do expect that this year
16 we will actually address the attrition and
17 be in pretty good shape by the end of next
18 summer.

19 We did increase applicant
20 investigation. Currently we have
21 approximately 20 members in that
22 investigation and, in the next month, we
23 will be putting in another four to five
24 police officers and two more supervisors,
25 which will make the application

1 Finance Committee/7-29-13
2 investigation unit the largest it's ever
3 been.

4 Currently we have about 25 police
5 officers in the police academy dedicated to
6 recruit training and that number will also
7 swell as we start to increase and uptick the
8 hiring. So there will be a lot of hiring
9 over the next three years.

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

12 LEGISLATOR DENENBERG: It's
13 always been my understanding and, correct me
14 if I'm wrong, that some time in October, if
15 not September, is the deadline to put in for
16 an officers -- or to put in their papers for
17 retirement.

18 COMMISSIONER KRUMPTER: Negative.
19 Currently, you have to put in your notice of
20 retirement 15 days prior to your date of
21 retirement. It was 30 days. The state law
22 changed and now it's 15 days.

23 In order for a police officer to
24 be paid out in 2013, he would actually have
25 to file and be separated from the department

1 Finance Committee/7-29-13
2 because the contract requirement for
3 termination pay no later than December 1st.
4 The contract requirement is that they have
5 to be separated.

6 But, from an accounting
7 standpoint, it's important to realize that
8 anybody who retires this year, no matter
9 when they go, even though the police officer
10 may receive the check in '14, anybody who
11 retires this year will actually be charged
12 from an accounting standpoint in this year,
13 2013. It will be treated as a 2013
14 expenditure regardless of when they travel,
15 when they separated from any time during
16 2013 they separate, whenever they get that
17 check, even if it's in the first month of
18 '14, it will be charged and it will be
19 expensed to '13.

20 LEGISLATOR DENENBERG: Now, the
21 amount of termination pay would be based on
22 I guess each officer and their last few
23 years of employment?

24 COMMISSIONER KRUMPTER: No.
25 That's the pension number. The pension is

1 Finance Committee/7-29-13
2 based on a three year average or one year
3 average depending on what tier they fall in.

4 Termination pay is maxed out at
5 twice their last year's salary based on the
6 amount of time they've accumulated over
7 their career with the Nassau County Police
8 Department.

9 LEGISLATOR DENENBERG: And that
10 would be twice base?

11 COMMISSIONER KRUMPTER: It's
12 twice their adjusted base. It takes into
13 consideration their night diff and other
14 accumulated money they would get. So it's
15 an adjusted salary.

16 LEGISLATOR DENENBERG: And the
17 adjustments are based on what?

18 COMMISSIONER KRUMPTER: Night
19 differential, what estimated night
20 differential they're earning, what holiday
21 and it's two times that number.

22 LEGISLATOR DENENBERG: Where are
23 we right now in overtime? I have an OLBR
24 report that shows overtime, first quarter,
25 '13, versus overtime first quarter '12, and

1 Finance Committee/7-29-13

2 '12 was above '11, was 32 percent above.

3 COMMISSIONER KRUMPTER: The first
4 quarter was 32 percent up. The latest
5 overtime report was trending down. That is
6 attributable to staffing. Currently we are
7 operating the department with approximately
8 140, 150 people less than we did a year ago.

9 We're budgeted for and originally
10 designed to run at 23/40 and this year's
11 budget is 22/60, and we're currently at
12 21/20 with about 50 police officers
13 dedicated to recruit and app investigation.

14 So, basically, that overtime
15 increase, the vast majority of it is
16 directly attributable to light roll call
17 overtime, that staffing overtime that is
18 tied right to the low number of head count
19 that we currently have.

20 LEGISLATOR DENENBERG: How much
21 over budget last year were we in second
22 quarter? I know the number in first
23 quarter, but not for the second.

24 COMMISSIONER KRUMPTER: We have
25 an annual budget. Last year's number I

1 Finance Committee/7-29-13
2 believe we finished at about \$49 million
3 after adjustments. So we're approximately
4 taking into consideration reserves that were
5 set aside for overtime, we're about \$3
6 million over budget as a whole last year.

7 LEGISLATOR DENENBERG: That's
8 including our overtime budget plus putting
9 all the reserves into police overtime?

10 COMMISSIONER KRUMPTER: That was
11 the departmental -- the contingency overtime
12 fund that was set aside.

13 LEGISLATOR DENENBERG: So where
14 are we this year?

15 COMMISSIONER KRUMPTER: This year
16 we are right now in the police department
17 projecting somewhere between 58 and 60
18 million. I don't have the numbers in front
19 of me. You have to excuse me.

20 LEGISLATOR DENENBERG: What did
21 we budget for?

22 COMMISSIONER KRUMPTER: \$44
23 million.

24 LEGISLATOR DENENBERG: And how
25 much reserves do we have?

1 Finance Committee/7-29-13

2 MS. D'ALLEVA: We only have \$2
3 million worth of reserves.

4 LEGISLATOR DENENBERG: So using
5 reserves or using operating expenses --

6 COMMISSIONER KRUMPTER: It's
7 contingency for overtime. It's contingency.
8 It's not a reserve. It's a contingency set
9 aside for overtime which puts it to a total
10 of \$46 million.

11 LEGISLATOR DENENBERG: And we're
12 looking at 58 to 60?

13 MS. D'ALLEVA: Yes. OMB is
14 projecting 60.

15 LEGISLATOR DENENBERG: So we
16 couldn't use any operating funds for
17 termination pay?

18 COMMISSIONER KRUMPTER: Well, a
19 portion of that will actually be offset
20 because we are well below the head count
21 right now.

22 LEGISLATOR DENENBERG: We have a
23 class that's about to graduate, or --

24 COMMISSIONER KRUMPTER: The class
25 is in the academy at this point in time and

1 Finance Committee/7-29-13

2 they will be graduating, I don't have the
3 exact date, October, I believe.

4 LEGISLATOR DENENBERG: How many
5 Nassau County police officers will come out
6 of that class?

7 COMMISSIONER KRUMPTER: We
8 started with 34 and it's whatever number
9 that graduates, we actually started with 35,
10 so it's 34 at the moment.

11 LEGISLATOR DENENBERG: It's 34 at
12 the moment? I heard it was a lot less, but
13 maybe I heard wrong.

14 COMMISSIONER KRUMPTER: You heard
15 wrong.

16 LEGISLATOR DENENBERG: No one
17 left the class?

18 COMMISSIONER KRUMPTER: There is
19 a lot of rumors that 12 or 15 people left
20 and that's not the case, unless they left in
21 the last five days.

22 LEGISLATOR DENENBERG: And the
23 next class won't start until next year?

24 COMMISSIONER KRUMPTER: No.
25 Meaning it will start in the last week of

1 Finance Committee/7-29-13
2 August or the first week of September.

3 LEGISLATOR DENENBERG: How big
4 will that class be?

5 COMMISSIONER KRUMPTER: We're
6 right now targeting to have somewhere
7 between somewhere 75 and 80.

8 LEGISLATOR DENENBERG: Wouldn't
9 it make more sense to, in terms of all the
10 bonding going on, to get a feel for later in
11 the year, meaning not that much later, but
12 around September, October, a month or two
13 from now, to know exactly how much we need
14 for termination pay?

15 COMMISSIONER KRUMPTER: Well, we,
16 at this point in time, we have 35 pending
17 retirements that haven't been paid yet out
18 of the 70. That number, just in the last
19 week, since we did the original projections
20 that I'm looking at, we've had another four
21 people put in. We are losing people and
22 attritting people at a very rapid rate at
23 this point in time.

24 LEGISLATOR DENENBERG: 135 would
25 be more than last year too, right?

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2 COMMISSIONER KRUMPTER: It will
3 be more than last year and probably won't be
4 as much as next year.

5 LEGISLATOR DENENBERG: But if
6 it's more than last year, last year we had
7 an incentive.

8 COMMISSIONER KRUMPTER: That's
9 correct.

10 LEGISLATOR DENENBERG: This year
11 we don't.

12 COMMISSIONER KRUMPTER: That's
13 correct.

14 LEGISLATOR DENENBERG: So why
15 would we have more this year than last year
16 if last year we had an incentive and this
17 year we don't?

18 My concern is, before settling,
19 I'm not settling, before bonding to a
20 certain number, I want to try to have that
21 number as accurate as possible and I don't
22 see why we are going to have more
23 retirements this year than last year unless
24 it's overtime over the last few years has
25 contributed to people wanting to retire now.

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2 COMMISSIONER KRUMPTER: You hit
3 the nail on the head. Keep in mind, last
4 year the county spent \$49 million of
5 operating funds but that total number was
6 actually almost \$70 million in overtime,
7 went into police officer's pockets, and the
8 year before we had very significant overtime
9 and they have earned a lot of overtime.

10 So they are -- it's that three
11 year average that we talked about earlier
12 today that's attributing to this.

13 Also, a lot of people plan on
14 leaving at some point and, when you talk to
15 the police officers here, and you obviously
16 know the police officers, what you have is a
17 situation where a lot of people are planning
18 on leaving within the next two or three
19 years. But when they start running their
20 numbers, they see that their pensions aren't
21 going up at all over the next three years
22 because of the amount of overtime they've
23 earned.

24 And, as we start to hire, that
25 overtime number will start to drop back down

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2 to the historical norms rather than the
3 elevated number that we're currently working
4 at because of Sandy, because of the
5 presidential debate the year before, because
6 of several other events that happened over
7 the last couple of years and the low head
8 county, as we start to hire, we are going to
9 be looking at hiring this year somewhere in
10 the neighborhood of 150 to 160 people.

11 Next year, we'll be prepared to
12 hire over 200 people. So we're going to get
13 back into an attrition based hiring as we
14 scale up.

15 LEGISLATOR DENENBERG: I mean,
16 factors against the number being higher this
17 year than last year though is, there is no
18 incentive this year. And while the pay
19 freeze, the NIFA imposed pay freeze is
20 there, the termination pay being based on
21 the base salary, the base salary hasn't gone
22 up if that case is resolved to the union's
23 favor, those numbers could go up and people
24 could walk out with a lot more.

25 MS. D'ALLEVA: But, also, in a

1 Finance Committee/7-29-13
2 very basic level, according to Local Finance
3 Law, if we don't have a bond ordinance in
4 place, we would not be able to transfer the
5 expense onto the capital fund if we don't
6 have a bond ordinance in place. Currently
7 we have exhausted the specific bond
8 ordinance for PD overtime.

9 LEGISLATOR DENENBERG: I do
10 recall termination pay being approved, the
11 prior administration and this
12 administration, I do recall approving
13 termination pay as late as October in terms
14 of bonding.

15 COMMISSIONER KRUMPTER: That's an
16 accounting thing. But, as far as the other
17 point you bring up, if it comes a point in
18 time that that lawsuit settled, that would
19 actually adjust their pension up.

20 So if they're no longer here, any
21 money they earned during that period will
22 actually adjust their pension. So, waiting
23 for the lawsuit to be resolved, will have no
24 impact one way or the other on their overall
25 pension.

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2 LEGISLATOR DENENBERG: I'm just
3 speaking as to whether -- we are talking
4 about what would add to the number of people
5 retiring versus what would detract.

6 The termination pay being based
7 on your salary, your base pay, certainly, if
8 anything, would make -- there might be
9 reasons with a lot of overtime for people to
10 want to retire this year, but there is
11 reasons without an incentive and, while we
12 don't know whether the base salary is going
13 to go up or not, that's a reason not to
14 retire this year.

15 COMMISSIONER KRUMPTER: Well, the
16 truth is, keep in mind that as of right now
17 we have had 70 people that are retired, 71.

18 LEGISLATOR DENENBERG: Retired or
19 put in their papers?

20 COMMISSIONER KRUMPTER: Either
21 retired, or -- 67 that have actually
22 separated to date and we have four or five
23 pending.

24 LEGISLATOR DENENBERG: Thank you.

25 CHAIRMAN NICOLELLO: Any other

1 Finance Committee/7-29-13
2 questions from the committee members?
3 Legislator DeRiggi-Whitton.

4 LEGISLATOR DERIGGI-WHITTON: Up
5 to this date, there has been police officers
6 that have retired, correct, this year?

7 MS. D'ALLEVA: Yes.

8 LEGISLATOR DERIGGI-WHITTON: And
9 have they received their retirement package?

10 MS. D'ALLEVA: Yes, they have.
11 About \$8.7 million.

12 LEGISLATOR DERIGGI-WHITTON:
13 Where did that \$8.7 million come from?

14 MS. D'ALLEVA: To date, it's been
15 the operating budget. We had \$2.6 million
16 worth of bond ordinance authority from a
17 previous bond ordinance and the remaining
18 will be the operating budget.

19 LEGISLATOR DERIGGI-WHITTON: So
20 when you're asking to bond the \$30 million,
21 does that somehow replenish the eight or is
22 that in addition to the eight?

23 MS. D'ALLEVA: Well, the
24 remaining six or seven will come out of
25 operating because it's already been

1 Finance Committee/7-29-13

2 expended.

3 LEGISLATOR DERIGGI-WHITTON: So
4 we've already paid eight from the
5 operational. Now, in order to get through
6 basically the rest of the year, we need the
7 30, is that what you're saying?

8 MS. D'ALLEVA: That's what we're
9 saying.

10 LEGISLATOR DERIGGI-WHITTON: But
11 that does not reimburse the eight that
12 you've already used?

13 MS. D'ALLEVA: No.

14 LEGISLATOR DERIGGI-WHITTON: So
15 it will be 38, around there, is what you're
16 saying, for the year?

17 MS. D'ALLEVA: That's correct.

18 LEGISLATOR DERIGGI-WHITTON: All
19 right.

20 COMMISSIONER KRUMPTER: And
21 that's something to keep in mind,
22 legislators, the numbers we're talking
23 about, you know, the last time we've seen
24 separations at this level, you would have to
25 go back probably ten or 11 years. This year

1 Finance Committee/7-29-13
2 is going to be somewhere between 130 and
3 150. Next year could be anywhere from 150
4 to over a little over total 200 separations.

5 What we have now is a situation
6 today, approximately 1,100 members of this
7 department are eligible to retire out of
8 2,200. That number will elevate and
9 escalate over the next several years to
10 somewhere in the neighborhood of 15 or 1,600
11 of the 2,200 current employees will be
12 eligible to retire. Not all of them are
13 going to go. We know that, we expect that.
14 But we've never been in that.

15 Normally, we have right around a
16 thousand, but we have a lot of people that
17 are coming up on retirement and we are going
18 to start to see a real elevation in the
19 number of people that separate from this
20 job.

21 LEGISLATOR DERIGGI-WHITTON: Just
22 real quick, eligible means what, 20 years?

23 COMMISSIONER KRUMPTER: Eligible
24 is at 20 years, yes. That's another thing,
25 we are seeing police officers retiring a lot

1 Finance Committee/7-29-13
2 earlier. Police officers, four years ago,
3 five, six years ago, they would retire at an
4 average of 27, 28 years on the job.

5 The last couple of years, that
6 number for police officers has been 21
7 years, 22 years. For superior officers,
8 that number is about 27. Detectives have
9 been about 27.

10 So, how long people are staying
11 in law enforcement has also significantly
12 been dropping over the last couple of years.

13 CHAIRMAN NICOLELLO: Thank you.
14 Do we have any other questions? Legislator
15 Abrahams.

16 LEGISLATOR ABRAHAMS: Thank you.
17 This is a question probably more for
18 Roseanne, and I don't want to be redundant.
19 I know Legislator Denenberg talked a little
20 bit about the Office of Legislative Budget
21 Review's memo that came out and their number
22 being much much less. And I know it's based
23 off the heads and they approximate about 20,
24 21 million that's going to be used for
25 police retirements. Obviously I know you

1 Finance Committee/7-29-13
2 feel that the retirements are going to be
3 125 heads, getting closer to the \$30 million
4 number.

5 I think it would probably be at
6 this time though for us to be probably a
7 little more prudent for us to wait and see
8 how the numbers pan out over the next couple
9 of months before we decide to bond for \$30
10 million for starters.

11 The second point is, how long has
12 the county been borrowing for termination
13 pay now?

14 Going back a couple of years,
15 it's always been an operating budget type of
16 thing and I just feel we are getting lulled
17 into the fact that we're going to constantly
18 continue to capitally borrow for this.

19 MS. D'ALLEVA: I believe we have
20 been borrowing since 2009. I know the last
21 borrowing was 26.5 just for the PD.

22 LEGISLATOR ABRAHAMS: So 2009,
23 obviously, I understand everything fell
24 apart in the world and we had the financial
25 collapse. But I have to think going forward

1 Finance Committee/7-29-13

2 though, I mean, and we have been supportive
3 of the termination pay, I have to think
4 going forward, is there some type of road
5 map where we're going to stop borrowing for
6 termination pay? We shouldn't really be
7 borrowing for termination pay. We really
8 should be borrowing for things that have a
9 useful life; such as capital expenditure and
10 so on and so forth.

11 MS. D'ALLEVA: The road map was
12 set with NIFA and NIFA agreed to it in the
13 multiyear plan. We had said that we were
14 going to borrow about \$450 million for a
15 couple of items, 305 just for tax certs and
16 the remaining was pretty much for
17 termination pay. That road map was agreed
18 to. This falls into context with that.

19 LEGISLATOR ABRAHAMS: So are you
20 saying this is the last year of borrowing
21 for term pay?

22 MS. D'ALLEVA: We have a little
23 bit more remaining if we stick to the \$450
24 million road map.

25 LEGISLATOR ABRAHAMS: So what

1 Finance Committee/7-29-13
2 year can we anticipate there being no more
3 borrowing for term pay?

4 MS. D'ALLEVA: 2015. The road
5 map ends in 2015, so --

6 LEGISLATOR ABRAHAMS: So two more
7 years of borrowing for term pay for
8 everybody, okay.

9 But, like I say, we want to be
10 able to take a little bit more time, see how
11 the numbers -- I know --

12 MS. D'ALLEVA: Well, in terms of
13 more time, if I could make a suggestion, I
14 understand your concern. At some point like
15 I said before, we are taking these
16 expenditures we are taking a hit on the
17 operating budget. If we do not have a bond
18 ordinance in place, we have already
19 exhausted our current bonding authority.

20 So if we don't have a bond
21 ordinance in place, we're creating a huge
22 gap in the 2013 budget.

23 LEGISLATOR ABRAHAMS: I
24 understand that. My concern is, again, I
25 haven't been part of the discussions which

1 Finance Committee/7-29-13
2 we have phased out term pay through 2015. I
3 would like to be. I will write something to
4 the county executive first thing tomorrow to
5 insure that I am as well as this legislative
6 side of the aisle, but my point is, number
7 one, as I said before, we truly believe,
8 yes, the county has hit a rough period.

9 It started in 2009. It went on
10 for a couple of years after that. We are
11 now in 2013 and we are still bonding. We
12 would like to see the county be weened off
13 of borrowing for term pay, and sooner than
14 2015. So that's a discussion that I will
15 have with the administration from our point
16 of view.

17 The second thing, and it's
18 probably more specific to this year, is the
19 fact that the OLBR memo indicates a much
20 lower number than what you guys are claiming
21 the number will be going forward.

22 So, just tied to this number,
23 tied to this year, we want to basically take
24 a little more time before we bond the higher
25 number than what's really necessary because,

1 Finance Committee/7-29-13
2 in our estimation, as I said before, we
3 really shouldn't be bonding for an expense
4 such as term pay. Term pay should be paid
5 out of the operating budget. And, based on
6 the calculations, we are now going through
7 the fifth cycle of this.

8 MS. D'ALLEVA: I'm sorry, I
9 haven't read Maurice's report, the Office of
10 Budget Review's report, what's the amount of
11 termination pay do they think that we would
12 be able to bond?

13 LEGISLATOR ABRAHAMS: I would
14 have Mr. Chalmers come up and explain it
15 himself, but, from what I can gather here --

16 MS. D'ALLEVA: Because I would be
17 happy to at least agree to that number so
18 that we can at least insure that expenses
19 going forward we have the bonding authority
20 to do so.

21 LEGISLATOR ABRAHAMS: Roseanne,
22 if we can, I don't want to look at this in a
23 vacuum though. It's one thing to agree with
24 this number, which would be great, but the
25 other side of it is, we're not going to

1 Finance Committee/7-29-13
2 agree to a number now without understanding
3 how the road map to the future to 2015 is
4 going to get done.

5 So, to me, they are intertwined
6 that any bonding -- I just want to be clear
7 because I know that there are some folks in
8 the administration, in the audience today,
9 any bonding that this side of the aisle is
10 going to commit votes towards, is going to
11 be part of a larger agreement on how we are
12 phased off of borrowing for termination pay
13 going forward to 2015. We need to be a part
14 of that discussion.

15 So I couldn't agree to a lower
16 number just because OLBR is stating it. We
17 need to have a larger discussion with the
18 administration to get a better understanding
19 on why we can't ween ourselves off of
20 termination pay bonding sooner than 2015.

21 CHAIRMAN NICOLELLO: Ms.
22 D'Allewa, I would like to hear from Mr.
23 Chalmers, please. There's no point in going
24 back and forth.

25 MR. CHALMERS: Maurice Chalmers,

1 Finance Committee/7-29-13
2 Office of Budget Review. We estimate that
3 there's going to be approximately 20 to \$21
4 million in expenses. When we did our
5 initial projection, I think all three
6 oversight boards were sort of the same way.
7 It was approximately 20 million, we saw it
8 at 19, and the comptroller saw it at the
9 lower 21, I think 21, \$22 million.

10 We still see it about the same
11 number. The payout has been approximately
12 \$223,000. So we are thinking the number is
13 going to end up between 90 and 100 head
14 count which gives you about 20, \$21 million.

15 CHAIRMAN NICOLELLO: How do you
16 come up with a head count of -- I'm curious
17 that the police department estimating one
18 number, and OLBR is estimating another
19 number. Why the discrepancy?

20 MR. CHALMERS: The number that we
21 got from the administration and the police
22 department was that, I believe 37 had
23 actually left, 37 had left. We had a couple
24 of disabilities that brought it to 47. And
25 we had another 18 that were in the pipeline

1 Finance Committee/7-29-13

2 too, and that brings you to about 65. We
3 are halfway through the year, so we think
4 the number ends up at approximately 100.

5 When we spoke to the police
6 department at the beginning of last year --
7 I'm sorry, the end of last year, the number
8 that they had given to us was about 70. So
9 now we go from 70 to 125. It's a huge
10 swing. We haven't seen that yet. We did
11 provide the table that explains that if it
12 gets to 125, then you are looking at
13 approximately \$28 million. So far we have
14 not seen that.

15 CHAIRMAN NICOLELLO: Commissioner
16 Krumpter just indicated that they do have
17 close to 70 that are either retired or put
18 in their papers to retire, an additional
19 five more. So you're looking at, we have
20 achieved the 70 number and we still have
21 five months to go in the year.

22 COMMISSIONER KRUMPTER: And
23 generally what you see is, at the rate that
24 things are flowing in now, that's the first
25 thing; and the second thing, our numbers on

1 Finance Committee/7-29-13
2 termination pay is a little different. We
3 did a -- what we looked at was an 18 month
4 average for termination pay excluding
5 anything related to the incentive.

6 Our number, based on 158
7 separations over the last 18 months, so this
8 counts every single separation. The person
9 that gets nothing, or the person that gets
10 \$400,000, that that average comes out to
11 \$273,492 with a total termination paid over
12 the last 18 months of \$43,211,789.

13 So we're looking at an average of
14 a little bit higher than that. But the real
15 difference is, that if 70 people left
16 already this year, I don't really think that
17 we're only going to lose 30 more people
18 between now and January 1. Is it going to
19 be 120 and 130?

20 And what everybody has to
21 remember, it's one thing: It's a personal
22 choice when somebody retires. People aren't
23 coming up to us and saying, I'm leaving in
24 December, I'm leaving in November.
25 Generally, what happens is, when they file

1 Finance Committee/7-29-13

2 their papers with the state system and they
3 go, that's when we know for sure. We have
4 other indicators. They get pension
5 estimates. We get feed back from the people
6 doing the pension estimates both within the
7 department and outside the department that
8 they are planning to leave. We don't know
9 who they are, but we get a general idea of
10 who is leaving. So we look at those
11 estimates. It really is impossible to
12 determine when anybody is going to leave
13 with any certainty.

14 And, like anything else, I think
15 it's important that this body remembers
16 that, ultimately, it does take time to get a
17 bond ordinance, does take time to get it
18 through this process, and then pass a bond
19 ordinance. These things don't turn on a
20 dime.

21 So when the county and department
22 is asking for \$30 million, they're not
23 spending that money unless someone actually
24 separates and retires. \$8 million has
25 already been spent and that accounts for

1 Finance Committee/7-29-13
2 about 30 people. There's another 25-30
3 people, that accounts for another six or \$7
4 million already. \$20 million in August, and
5 half of it gone, we've already spent \$15
6 million, that's what you have to take a look
7 at. Those are decisions you have to make.

8 But I am comfortable in
9 estimating that we can lose up to 150 people
10 this year. And we could lose 130 to 150 is
11 the estimate we're currently holding.
12 That's a number that's constantly
13 fluctuating. I can come back here a month
14 from now and say the number is 100. I also
15 can come back from here in a month from now
16 and say the number is going to be 180.

17 CHAIRMAN NICOLELLO: Do we have
18 any further questions?

19 (No verbal response.)

20 Thank you, Mr. Chalmers. Thank
21 you, Mr. Krumpter. Is there any public
22 comments?

23 (No verbal response.)

24 All those in favor of Item 291 of
25 2013 signify by saying aye.

1 Finance Committee/7-29-13

2 (Aye.)

3 Those opposed?

4 (Nay.)

5 The item passes by a vote of four
6 to three.

7 The next items are 292, 293, 294,
8 295, 296, 297, 298, 299, which are all
9 ordinances supplemental to the annual
10 appropriation ordinance in connection with
11 the district attorney, health department,
12 probation department, and correctional
13 center.

14 LEGISLATOR VENDITTO: So moved.

15 LEGISLATOR WALKER: Second.

16 CHAIRMAN NICOLELLO: Moved by
17 Legislator Venditto, seconded by Legislator
18 Walker. These items just went through the
19 Public Safety and Health Committees earlier.

20 Are there any questions?

21 (No verbal response.)

22 Is there any public comment?

23 (No verbal response.)

24 All those in favor signify by
25 saying aye.

1 Finance Committee/7-29-13

2 (Aye.)

3 Those opposed?

4 (No verbal response.)

5 Those items carry. Items 300,
6 301, and 302 of 2013 are all resolutions to
7 authorize the transfer of appropriations
8 heretofore made within the budget for the
9 year 2013.

10 LEGISLATOR MUSCARELLA: So moved.

11 LEGISLATOR WALKER: Second.

12 CHAIRMAN NICOLELLO: Moved by
13 Legislator Muscarella, seconded by
14 Legislator Walker. The item is before the
15 committee. Mr. May, do we have anyone to
16 speak on this item, Item 300?

17 MR. MAY: Item 300, we have Ms.
18 Roseanne D'Alleva from the Office of
19 Management and Budget.

20 MS. D'ALLEVA: This is just a
21 board transfer for appropriations, DPW
22 appropriation for encumbered contracts.

23 CHAIRMAN NICOLELLO: All of those
24 items relate to FEMA funding?

25 MS. D'ALLEVA: Yes. There were

1 Finance Committee/7-29-13
2 unspent appropriations, I should say, or
3 unencumbered in other departments that we
4 see that will not be spent and we're doing a
5 board transfer to DPW.

6 CHAIRMAN NICOLELLO: Where it's
7 necessary?

8 MS. D'ALLEVA: Within the FEMA
9 fund. It's all related to FEMA Sandy
10 expenditures.

11 CHAIRMAN NICOLELLO: Any other
12 questions? Legislator Denenberg.

13 LEGISLATOR DENENBERG: So all
14 three are FEMA payments that we had to make
15 so we are transferring to make those and
16 then we're hoping that we're going to get
17 the reimbursement and, when the
18 reimbursement comes, where are we putting
19 that?

20 MS. D'ALLEVA: We are
21 transferring the appropriations to support
22 encumbrances in DPW FEMA fund and most of
23 them have to do with, I think there's
24 generators still going, gas that we are
25 still purchasing for those generators,

1 Finance Committee/7-29-13
2 dewatering contract, several different
3 expenditures that are FEMA related expenses
4 that we will gain reimbursement, and then
5 the reimbursement goes back to the FEMA
6 fund.

7 LEGISLATOR DENENBERG: When you
8 say a "dewatering contract" what are we
9 talking about?

10 MS. D'ALLEVA: Ken Arnold can
11 speak to that.

12 LEGISLATOR DENENBERG: That
13 facility is pretty new at both of our --

14 MS. D'ALLEVA: I think it's about
15 \$5 million.

16 MR. ARNOLD: Yes. We have a
17 rental agreement with a company that does
18 dewatering at Bay Park, a \$5 million
19 contract.

20 CHAIRMAN NICOLELLO: So the new
21 dewatering facility, the presses, that's
22 been knocked out?

23 MR. ARNOLD: Well, the Bay Park
24 facility did not have a new dewatering
25 facility. At Cedar Creek we just finished

1 Finance Committee/7-29-13
2 the dewatering facility. Bay Park facility
3 was built in the late 1990s. That building
4 was flooded. All the presses were lost and
5 that's going to be redone.

6 LEGISLATOR DENENBERG: So where
7 are we putting the temporary presses?

8 MR. ARNOLD: They are already
9 there. I believe they're located in the
10 parking lot by the digesters.

11 MS. D'ALLEVA: So, obviously, I
12 guess, DPW was not anticipating that this
13 would be going on for so long and,
14 therefore, that's why we need more
15 appropriations.

16 LEGISLATOR DENENBERG: And that's
17 the parking lot where the temporary
18 digesters are as well?

19 MR. ARNOLD: The temporary
20 digesters, the parking lot next to the
21 construction house by the digesters is what
22 we're using for the temporary dewatering
23 facility.

24 LEGISLATOR DENENBERG: Thank you.
25 Any other questions? Legislator

1 Finance Committee/7-29-13

2 DeRiggi-Whitton.

3 LEGISLATOR DERIGGI-WHITTON:

4 Roseanne, all of these expenses relate to
5 Sandy?

6 MS. D'ALLEVA: Yes.

7 LEGISLATOR DERIGGI-WHITTON: So
8 they're all within 2012 after October?

9 MS. D'ALLEVA: No. Certain
10 expenses are going on within 2013.

11 LEGISLATOR DERIGGI-WHITTON: So
12 they are all after October of 2012?

13 MS. D'ALLEVA: Yes.

14 LEGISLATOR DERIGGI-WHITTON: So
15 the only other question I had in general is,
16 have we improved our number at all or are we
17 still around the 30 percent reimbursement
18 for FEMA?

19 MS. D'ALLEVA: We, to date, last
20 week, we had a really good week. So we did
21 gain some more reimbursement. We're up to
22 about \$50 million in reimbursed expenses.

23 LEGISLATOR DERIGGI-WHITTON: 50
24 out of the 200?

25 MS. D'ALLEVA: No. We spent, so

1 Finance Committee/7-29-13
2 far what has been obligated is \$108 million
3 in terms of FEMA obligations, and out of
4 that \$108 million obligated, we have gotten
5 \$50 million in cash.

6 LEGISLATOR DERIGGI-WHITTON: So
7 that 40 something percent. I would say
8 that's about accurate. I received a number
9 of receipts from your office, but I would
10 just appreciate if you could continue to
11 forward them. I have been looking at them
12 to see what --

13 MS. D'ALLEVA: Yes. You had
14 e-mailed me Friday afternoon for invoices.

15 LEGISLATOR DERIGGI-WHITTON: You
16 did provide some already but if you could
17 continue to do that I would appreciate that.
18 I've just been looking at certain groups I
19 just haven't seen yet.

20 MS. D'ALLEVA: Right. The
21 correctional PW or project worksheet has not
22 been obligated as of yet. But I will speak
23 to the comptroller's office to see if I can
24 get those invoices for you.

25 CHAIRMAN NICOLELLO: Just to

1 Finance Committee/7-29-13
2 backtrack again, you just said that the
3 total amount that we paid out is what?

4 MS. D'ALLEVA: What we have been
5 obligated is 108. What we have paid out in
6 expenditures, there is a lot of moving
7 parts. What we've paid out in expenditures
8 is, I think I'm at \$119 million, \$117
9 million, so far out the door.

10 But what's been obligated,
11 meaning FEMA has approved those project
12 worksheets is \$108 million.

13 LEGISLATOR DERIGGI-WHITTON: But
14 the county has paid out you said probably
15 more like 140?

16 MS. D'ALLEVA: I think we've paid
17 out 119 million.

18 LEGISLATOR DERIGGI-WHITTON: So
19 when we're talking about close to 120, still
20 getting the 30 percent?

21 MS. D'ALLEVA: Yes. We can get
22 more.

23 LEGISLATOR DERIGGI-WHITTON: So
24 we are still --

25 MS. D'ALLEVA: We are

1 Finance Committee/7-29-13
2 anticipating to spend out of the 213
3 ultimately, to even make it more confusing,
4 about 185 million.

5 LEGISLATOR DERIGGI-WHITTON: I
6 would think because I know that Looks Great
7 Service --

8 MS. D'ALLEVA: That's correct.

9 LEGISLATOR DERIGGI-WHITTON: So
10 we are still around the 30 percent and we
11 haven't paid out everything, and --

12 MS. D'ALLEVA: But the good thing
13 is what we been obligated is 108. So
14 definitely FEMA is committed to giving us
15 \$108 million. Cash in the door of that 108
16 is 50 million.

17 LEGISLATOR DERIGGI-WHITTON: How
18 are we obligated, are we given a letter, do
19 we get something in writing?

20 MS. D'ALLEVA: Yes.

21 LEGISLATOR DERIGGI-WHITTON: Can
22 you forward that as well?

23 MS. D'ALLEVA: I think we have.
24 All those obligations and all those
25 obligated DWs, we've given all those to you.

1 Finance Committee/7-29-13

2 LEGISLATOR DERIGGI-WHITTON: Of
3 108 million, I haven't had that --

4 MS. D'ALLEVA: There is probably
5 a couple extra that have come along --

6 LEGISLATOR DERIGGI-WHITTON: If
7 you can just continue to forward that so we
8 are still -- it sounds great and I'm really
9 still hoping that it's going to all come
10 through, but it's just -- I just want to
11 keep a close eye, thank you.

12 CHAIRMAN NICOLELLO: Ms.
13 D'Alleva, this is not the first time
14 unfortunately the county had to deal with
15 FEMA, is that correct?

16 MS. D'ALLEVA: That's correct.

17 CHAIRMAN NICOLELLO: For example,
18 with Hurricane Irene we had FEMA
19 reimbursable expenses?

20 MS. D'ALLEVA: Yes, during Irene
21 the county did see 100 percent
22 reimbursement.

23 CHAIRMAN NICOLELLO: But no one
24 expects FEMA to send us back 90 cents on the
25 dollar the next day after the money is

1 Finance Committee/7-29-13

2 approved?

3 MS. D'ALLEVA: Absolutely true,
4 Legislator Nicoletto. Hurricane Irene, we
5 saw an 18 month to a 20 month lag in terms
6 of full reimbursement.

7 CHAIRMAN NICOLELLO: How many
8 months?

9 LEGISLATOR DERIGGI-WHITTON: 10
10 months now.

11 MS. D'ALLEVA: 18 to 21 months.

12 CHAIRMAN NICOLELLO: So the fact
13 that we've gotten \$50 million now as opposed
14 to the 108 that's been approved, for anyone
15 to attribute any significance to it at this
16 point, I mean, it goes against the
17 experience of dealing with the federal
18 government, doesn't it?

19 LEGISLATOR DERIGGI-WHITTON:
20 That's correct. We are waiting with bated
21 breath.

22 LEGISLATOR DERIGGI-WHITTON: I
23 think it's also a good idea for us all on
24 the Finance Committee to keep a close eye on
25 it. It's not a question of we do expect it,

1 Finance Committee/7-29-13
2 we do hope for it, but I don't think there's
3 anything wrong with us doing our jobs with
4 following up and making sure it's being done
5 correctly.

6 LEGISLATOR DERIGGI-WHITTON:
7 Absolutely.

8 CHAIRMAN NICOLELLO: Legislator
9 Abrahams.

10 LEGISLATOR ABRAHAMS: Just a
11 quick question for Roseanne. Roseanne, has
12 FEMA agreed to pay any expenses up front
13 without the reimbursement procedure process?

14 MS. D'ALLEVA: They initially had
15 given us expedited -- they granted us an
16 expedited PW but, basically, as the process
17 has grown and gone forward, we now have to
18 submit paid invoices for everything.

19 LEGISLATOR ABRAHAMS: What was
20 that total on the PW, do you remember?

21 MS. D'ALLEVA: I believe we
22 received like \$16 million cash expedited,
23 and from now on, in order to facilitate
24 further obligations, even on the debris
25 removal, every single invoice has to be paid

1 Finance Committee/7-29-13

2 in order for us to get additional funding.

3 LEGISLATOR ABRAHAMS: And do you
4 envision FEMA doing anything in the future
5 of paying anything up front without us
6 outlaying any money?

7 MS. D'ALLEVA: There are
8 different programs available that I think
9 probably Ken Arnold can probably speak to;
10 in terms of capital, there are different
11 things going on, in conversations going on,
12 in terms of programs that FEMA is changing
13 for the first time where in terms of capital
14 spending that they would, if we had our own
15 engineering estimates I think, that they
16 would facilitate payment predicated on those
17 estimates. But we haven't opted into that
18 program. That program hasn't actually been
19 solidified, so right now we are still going
20 the traditional route.

21 LEGISLATOR ABRAHAMS: When you
22 say the program hasn't been solidified, it's
23 been solidified by FEMA?

24 MS. D'ALLEVA: Yes.

25 LEGISLATOR ABRAHAMS: So it's not

1 Finance Committee/7-29-13

2 in existence?

3 MS. D'ALLEVA: We have been
4 presented with that program. They've
5 actually sat down with us and told us about
6 it, so we are just either deciding whether
7 to opt in or not. We are waiting to hear
8 more. Currently that FEMA program is at the
9 state level. So because there are two
10 different competing entities in terms of
11 when a program goes through the pipeline,
12 because you have to either deal with FEMA
13 and then the state. So the state has to be
14 on board with the program.

15 LEGISLATOR ABRAHAMS: Is the
16 state on board with the program?

17 MS. D'ALLEVA: Right now it's in
18 their hands.

19 LEGISLATOR ABRAHAMS: Right now
20 it's in the state's hands?

21 MS. D'ALLEVA: Yes.

22 LEGISLATOR ABRAHAMS: So they are
23 on board with the program?

24 MS. D'ALLEVA: They're deciding
25 whether they're going to opt into the FEMA

1 Finance Committee/7-29-13
2 program where FEMA is basically saying, if
3 you give us your estimates on what's going
4 to cost you, paraphrasing, to build the
5 sewer treatment plant, we'll hold you to
6 that estimate and that's what we're going to
7 give you the reimbursement on.

8 Then, that has to also be an
9 agreement with the state, because they're
10 going to have a share in it.

11 LEGISLATOR ABRAHAMS: Is that a
12 way that we would consider handling the
13 expenditure that we're being faced with at
14 the Bay Park treatment plant? Is it a
15 possible option?

16 MS. D'ALLEVA: It's an option.
17 At that point it's an option. It's
18 something that we are considering.

19 LEGISLATOR ABRAHAMS: When would
20 we make that decision by?

21 MS. D'ALLEVA: The state has to
22 decide first and then we would decide if we
23 are opting into that or the more traditional
24 venue which is the project worksheet route.

25 LEGISLATOR ABRAHAMS: So, the

1 Finance Committee/7-29-13
2 discussions with the state in regards to
3 when they are opting in or maybe not opting
4 in, have we had those discussions because
5 that would help us make our decisions?

6 MS. D'ALLEVA: Yes.

7 LEGISLATOR ABRAHAMS: Have they
8 made it known when they plan to opt in or
9 not opt in?

10 MS. D'ALLEVA: No. They haven't
11 told us.

12 LEGISLATOR ABRAHAMS: Is there
13 some type of guideline that you are aware of
14 or Mr. Millet is aware of that FEMA requires
15 a certain opt in date by?

16 MS. D'ALLEVA: No, it's a brand
17 new program. No.

18 LEGISLATOR ABRAHAMS: So the opt
19 in deadline is not the end of this year or
20 something like that?

21 MS. D'ALLEVA: No. Not that we
22 know of.

23 LEGISLATOR ABRAHAMS: I would
24 like to hear more about that program, how
25 would I find out more information about it,

1 Finance Committee/7-29-13
2 would Mr. Millet or Mr. Arnold know about
3 it?

4 MS. D'ALLEVA: Well, right now
5 it's at the state so if the state accepts
6 the program and that's the way they will
7 reimburse us predicated on this --

8 LEGISLATOR ABRAHAMS: What I'm
9 trying to say is, information about the
10 program, like what is it called, and is it
11 on the website somewhere?

12 MS. D'ALLEVA: On the FEMA
13 website, project bundling.

14 MR. MILLET: The program is
15 Project Bundling. They've never done it
16 before. What has to happen is, they send it
17 to the state and, since the state is the
18 recipient of the money, the state has to
19 agree that they like the bundling program.

20 If they agree with the bundling
21 program, then we're allowed to make a
22 decision as to whether we bundle or we do
23 individual project worksheets for each job.
24 That goes into reimbursement fees. The pay
25 forward part is in bundling. But if you say

1 Finance Committee/7-29-13
2 something is 20 bucks and they agree, if
3 it's 25 bucks, you're stuck with the 5
4 bucks. You can't go back for more.

5 LEGISLATOR ABRAHAMS: What if
6 it's 15, what if it goes the other way?

7 MR. MILLET: You get to use that
8 in an alternate project.

9 MS. D'ALLEVA: So it's something
10 that we have to decide if we are going to do
11 if it gets approved or not.

12 LEGISLATOR ABRAHAMS: Okay.
13 Well, obviously we want to hear more
14 information about this. Because this is
15 something that we should probably be
16 utilizing before we take the steps towards
17 borrowing hundreds of millions of dollars in
18 additional money, I would think that we
19 would want to have all our I's dotted and
20 T's crossed with regard to this.

21 MS. D'ALLEVA: That's why we have
22 to investigate more.

23 LEGISLATOR ABRAHAMS: Yes. Thank
24 you. And the program is called bundling?

25 MR. MILLET: It's not a program

1 Finance Committee/7-29-13

2 but they call it project bundling where you
3 take multiple projects and make it into one
4 piece.

5 LEGISLATOR ABRAHAMS: It's on the
6 FEMA website?

7 MR. MILLET: You can find it in
8 CRF-45. It's like the 10th paragraph down.
9 So we've pieced in the Stafford Act.

10 LEGISLATOR ABRAHAMS: Thank you.

11 CHAIRMAN NICOLELLO: Any other
12 questions?

13 (No verbal response.)

14 Is there any public comment?

15 (No verbal response.)

16 All those in favor of Items 300,
17 301, 302 of 2013 signify by saying aye.

18 (Aye.)

19 Any opposed?

20 (No verbal response.)

21 The items carry unanimously.

22 I'm going to skip over items 303
23 to 313. They are all executive session
24 items. I'm going to call Item 316 of 2013
25 which is a resolution providing for the

1 Finance Committee/7-29-13
2 issuance of a warrant directing the
3 treasurer of the County of Nassau to pay to
4 the supervisors of the several towns and to
5 the treasurer of the several villages and
6 cities within the County of Nassau the sums
7 as apportioned by the Nassau County
8 Legislature based on the report filed by the
9 county treasurer and the county clerk
10 showing deposits from mortgage taxes for the
11 quarter beginning April 1st, 2013, through
12 June 30th, 2013.

13 LEGISLATOR WALKER: So moved.

14 LEGISLATOR VENDITTO: Second.

15 CHAIRMAN NICOLELLO: Moved by
16 Legislator Walker, seconded by Legislator
17 Venditto. Do we have any questions on this
18 item?

19 (No verbal response.)

20 Is there any public comment?

21 (No verbal response.)

22 All those in favor signify by
23 saying aye.

24 (Aye.)

25 Any opposed?

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2 (No verbal response.)

3 The item carries unanimously.

4 Item 318 of 2013 is a resolution
5 authorizing the county executive to execute
6 a grant agreement between the County of
7 Nassau acting on behalf the County
8 Department of Parks, Recreation & Museums
9 and the Incorporated Village of Williston
10 Park on behalf of Williston Park Historical
11 Society.

12 LEGISLATOR WALKER: So moved.

13 LEGISLATOR VENDITTO: Second.

14 CHAIRMAN NICOLELLO: Moved by
15 Legislator Walker, seconded by Legislator
16 Venditto. Any questions on this item?

17 (No verbal response.)

18 Is there any public comment?

19 (No verbal response.)

20 All those in favor signify by
21 saying aye.

22 (Aye.)

23 Any opposed?

24 (No verbal response.)

25 Carries unanimously.

1 Finance Committee/7-29-13
2 Items 319 and 320 of 2013. 319
3 is a local law amending the local law 18 of
4 1984 as last amended by local law number 8
5 of 2011 and local law number 9 of 2011 and
6 as incorporated in Chapter 4 of Title 9 of
7 the miscellaneous laws of Nassau County in
8 relation to imposing additional rates of
9 sales and compensated use taxes authorized
10 by Section 1210 of the Tax Law and
11 continuing a local government assisting
12 program;

13 Item 320 is an ordinance to amend
14 Ordinance 404C of 1968 as amended in
15 relation to imposing an additional rate of
16 sales and compensated use tax and to
17 continue the local government assistant
18 program in Nassau County.

19 LEGISLATOR MUSCARELLA: So moved.

20 LEGISLATOR WALKER: Second.

21 CHAIRMAN NICOLELLO: Moved by
22 Legislator Muscarella, seconded by
23 Legislator Walker. Do we have any questions
24 on these two items?

25 (No verbal response.)

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2 Is there any public comment?

3 (No verbal response.)

4 All those in favor signify by
5 saying aye.

6 (Aye.)

7 Any opposed?

8 (No verbal response.)

9 The items carry. Item 321 of
10 2013 is a local law amending Title 24 of the
11 miscellaneous laws of Nassau County in
12 relation to extending the hotel and motel
13 occupancy tax.

14 LEGISLATOR WALKER: So moved.

15 LEGISLATOR VENDITTO: Second.

16 CHAIRMAN NICOLELLO: Moved by
17 Legislator Walker, seconded by Legislator
18 Venditto. Do we have any questions?

19 (No verbal response.)

20 Is there any public comments?

21 (No verbal response.)

22 All those in favor signify by
23 saying aye.

24 (Aye.)

25 Any opposed?

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2 (No verbal response.)

3 Those items carry unanimously.

4 Item 327 of 2013 is a resolution
5 to establish a complete streets policy in
6 Nassau County.

7 LEGISLATOR WALKER: So moved.

8 LEGISLATOR MUSCARELLA: Second.

9 CHAIRMAN NICOLELLO: Moved by
10 Legislator Walker, seconded by Legislator
11 Muscarella. Passed the Public Works
12 Committee earlier. Do we have any
13 questions?

14 (No verbal response.)

15 Is there any public comment?

16 (No verbal response.)

17 All those in favor signify by
18 saying aye.

19 (Aye.)

20 Any opposed?

21 (No verbal response.)

22 Carries unanimously.

23 Item 328 of 2013 is a resolution
24 to authorize the transfer of appropriations
25 heretofore made within the budget for the

1 Finance Committee/7-29-13

2 year 2013.

3 LEGISLATOR VENDITTO: So moved.

4 LEGISLATOR WALKER: Second.

5 CHAIRMAN NICOLELLO: Moved by
6 Legislator Venditto, seconded by Legislator
7 Walker. Do we have any questions on this
8 item?

9 (No verbal response.)

10 Is there any public comment?

11 (No verbal response.)

12 All those in favor signify by
13 saying aye.

14 (Aye.)

15 Any opposed?

16 (No verbal response.)

17 Carries unanimously.

18 Now I'm going to call Items 330,
19 331, 332, 333, 334, 335, 336, 337, 338, 339,
20 340, 341. I will read the first one and
21 then give the amounts for the rest of them
22 because they're all identical except for the
23 amounts.

24 A bond ordinance providing for a
25 capital expenditure to finance the capital

1 Finance Committee/7-29-13
2 project specified herein within the County
3 of Nassau in authorizing \$500,000 in bonds
4 of the County of Nassau to finance said
5 expenditure and making certain
6 determinations pursuant to SEQRA pursuant to
7 the Local Finance Law of New York and the
8 County Government Law of Nassau County.

9 Item 332 authorizes \$33 million
10 in bonds; Item 333 authorizes \$1 million in
11 bonds; Item 334 authorizes \$200,000 in
12 bonds; Item 335 authorizes \$750,000 of
13 bonds; Item 336 authorizes \$108,665 of
14 bonds; Item 337 authorizes a million dollars
15 in bonds; and Item 338 authorizes a million
16 dollars in bonds; Item 339 authorizes
17 \$500,000 of bonds; Item 340 authorizes
18 \$326,250,000 in bonds; Item 341 authorizes
19 \$72,500,000 in bonds, and I think I skipped
20 over the first one which authorizes, 330 of
21 2013, which authorizes \$14,467,140 of bonds.

22 LEGISLATOR WALKER: So moved.

23 LEGISLATOR MUSCARELLA: Second.

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

1 Finance Committee/7-29-13

2 Muscarella. These items are before the
3 committee. Do we have anybody to speak
4 about these items?

5 MR. MAY: We do. We have Mr.
6 Richard Millet from DPW to answer any
7 questions on these items.

8 CHAIRMAN NICOLELLO: Okay.

9 MR. MAY: Mr. Arnold first and
10 then Rich.

11 MR. ARNOLD: Project by project,
12 item by item?

13 CHAIRMAN NICOLELLO: Yes.

14 LEGISLATOR DENENBERG: And, as
15 you go, if I may, to the Chair, as you go
16 item by item and describe what it's for, can
17 you say if it's an existing project or a new
18 project?

19 MR. ARNOLD: Okay. Item 330-13
20 is for additional funding on an existing
21 project, capital project 81011. This
22 funding is going to be allocated towards the
23 environmental cleanup of the sanitary sewage
24 overflows in the communities of Baldwin and
25 East Rockaway. This is to pay for both the

1 Finance Committee/7-29-13
2 interior work, some claims that we have
3 outstanding, and also to move forward with
4 the exterior work.

5 CHAIRMAN NICOLELLO: Keep going.
6 We'll ask, unless something comes up, our
7 questions when you're done.

8 MR. ARNOLD: Item 331-13 is a
9 bond ordinance to an existing capital
10 project to add an additional \$500,000 for
11 various roof repairs for the various
12 buildings at both Bay Park, City Creek, Glen
13 Cove, Cedarhurst, Lawrence and the pump
14 stations.

15 Item 332 is an additional bond
16 ordinance for an existing capital project
17 associated with equipment replacement at
18 Cedar Creek. This funding will go towards
19 both Cedar Creek screens and grid, effluent
20 screens and other various miscellaneous
21 improvements that the plant will require.

22 Item 333-13 is an additional bond
23 ordinance from an existing capital project
24 for Whitney drain up in Manhasset.

25 Item 334-13 is an additional bond

1 Finance Committee/7-29-13
2 ordinance for an existing capital project
3 for mosquito control program so we can
4 finish our SEQRA determination.

5 Item 335-13 is an additional bond
6 ordinance for an existing capital project
7 associated with requirements contract work
8 associated with both the collection and the
9 waste water facilities.

10 Item 336 is additional bond
11 ordinance for our drainage reconstruction
12 capital projection, that's an existing
13 capital project.

14 Item 337 is an additional bond
15 ordinance from existing capital project
16 associated with our reconstruction and
17 rehabilitation of storm water basins.

18 Item 338 is an additional bond
19 ordinance for an existing capital project
20 associated with the replacement of motorized
21 equipment for the wastewater facility
22 operation.

23 Item 339 is an additional bond
24 ordinance for an existing capital project
25 for various improvements to the county's

1 Finance Committee/7-29-13
2 wastewater facilities associated with
3 employee amenities such as bathrooms, locker
4 rooms, common space, office, as much.

5 Item 340 is an additional bond
6 ordinance to the capital project that was
7 recently approved which is associated with
8 the Hurricane Sandy recovery at Bay Park.
9 This bond ordinance is associated with the
10 work for the electrical distribution system
11 at Bay Park.

12 Item 341 is an additional bond
13 ordinance for the Bay Park, same capital
14 project that was recently approved. This
15 funding is for the plant and boundary
16 protection system.

17 CHAIRMAN NICOLELLO: Is it just
18 the last two that were part of the recently
19 proposed 700 million?

20 MR. ARNOLD: Yes. That capital
21 project is 35,121. I think that capital
22 project is closer to \$500,000. There were
23 other pieces of that that made it up to
24 700,000 in other capital projects.

25 CHAIRMAN NICOLELLO: And Items

1 Finance Committee/7-29-13
2 340 and 341 in particular, are those -- are
3 we ready to go in terms of vetting those
4 contracts, et cetera?

5 MR. ARNOLD: Those contracts will
6 be ready to go out in the second quarter of
7 '14.

8 CHAIRMAN NICOLELLO: In terms of
9 the timeline, what is the necessity of
10 borrowing the money now or authorizing the
11 borrowing?

12 MR. ARNOLD: To have the funding,
13 the good faith effort to the federal and
14 state government that we are moving forward
15 with these projects and we have the
16 financial background as we negotiate grants
17 and reimbursement with them, that's one of
18 the main reasons.

19 CHAIRMAN NICOLELLO: These
20 obviously have to do with hardening this
21 facility in the event of future storms.

22 MR. ARNOLD: Both hardening and
23 repair. The contract is repair and
24 replacement of damaged equipment.

25 CHAIRMAN NICOLELLO: And that's

1 Finance Committee/7-29-13

2 to also elevate it, is it not?

3 MR. ARNOLD: And mitigation.

4 There's components of elevation and

5 mitigation and hardening.

6 CHAIRMAN NICOLELLO: Any other

7 questions? Legislator Denenberg.

8 LEGISLATOR DENENBERG: I have

9 several questions but I will piggyback where

10 Legislator Nicolello was. So I will start

11 at the end and work to the beginning.

12 You said that 340 and 341 which

13 were both for Bay Park, it's projected that

14 these would be for contracts that would be

15 bid second quarter 2014?

16 MR. ARNOLD: Yes. We're doing

17 the design currently. We need them for the

18 design right now, but the contract documents

19 would be ready second quarter 2014.

20 LEGISLATOR DENENBERG: So that's

21 different.

22 MR. ARNOLD: Well, you have two

23 phases of any project.

24 CHAIRMAN NICOLELLO: Mr. Millet,

25 if you have information to add, we would

1 Finance Committee/7-29-13
2 appreciate it if you would approach the
3 podium.

4 LEGISLATOR DENENBERG: Because
5 262 was approved, and, Mr. Millet, say what
6 you were going to say about the second
7 quarter of 2014.

8 MR. MILLET: Right now they are
9 in active 30 percent design, so we need to
10 fund the 100 percent design to be ready to
11 go to bid in 2014 on these two items.

12 LEGISLATOR DENENBERG: The 262 is
13 not enough for the design?

14 MR. MILLET: No. Because it
15 didn't have anything to do with the
16 electrical system.

17 The Hazen & Sawyer team is
18 actively pursuing to accelerate their 30
19 percent design. We are actively pursuing to
20 get this money in place so we can get out to
21 100 percent design and replace the
22 electrical system that is woefully damaged.

23 LEGISLATOR DENENBERG: What's
24 second quarter 2014, the bid for the
25 construction?

1 Finance Committee/7-29-13

2 MR. MILLET: That would be the
3 construction.

4 CHAIRMAN NICOLELLO: That's
5 different. You said, was it the bid, he
6 said it's for the construction.

7 MR. MILLET: For the
8 construction.

9 LEGISLATOR DENENBERG: When are
10 we going to bid?

11 MR. MILLET: For the construction
12 in the second quarter of 2014.

13 LEGISLATOR DENENBERG: So the bid
14 for the construction second quarter 2014 --

15 MR. MILLET: You still need the
16 100 percent design. I don't have money to
17 pay a designer to design it if I can't get
18 money in the electrical system programs.

19 LEGISLATOR DENENBERG: So, how
20 much is that?

21 MR. MILLET: I would assume, the
22 entire electrical system in Bay Park?

23 LEGISLATOR DENENBERG: We are
24 doing the design now, correct?

25 MR. MILLET: We are doing a 30

1 Finance Committee/7-29-13
2 percent technical report in preparation for
3 full design. Not a full design. That is
4 not part of their contract.

5 LEGISLATOR DENENBERG: So right
6 now we have a contractor that's doing what
7 you are calling a 30 percent design?

8 MR. MILLET: Correct.

9 LEGISLATOR DENENBERG: Explain to
10 us what you mean by a 30 percent design and
11 what you mean by a 100 percent design?

12 MR. MILLET: What you do when you
13 do a technical design report, an outward 30
14 percent design is, you bring in a program
15 that another designer can pick up and finish
16 so that there are no changes that will be
17 made or guesses as to what people want in
18 the electrical system. It will be laid out
19 for them and they just have to carry the
20 program out to 100 percent.

21 LEGISLATOR DENENBERG: How much
22 money do we need to do that?

23 MR. MILLET: Again, I couldn't
24 venture to guess. I would think that a
25 regular design on a digester rehab is 100

1 Finance Committee/7-29-13
2 grand. I would imagine the whole electrical
3 system is fairly expensive.

4 LEGISLATOR DENENBERG: So part of
5 the 326.25 for the electrical is the 30
6 percent design --

7 MR. MILLET: The 100 percent.
8 The 30 percent is covered inside Hazen &
9 Sawyer's existing contract.

10 LEGISLATOR DENENBERG: So when do
11 we think we are going to get to the 100
12 percent design?

13 MR. MILLET: I would assume that
14 we would probably have it mid first quarter
15 so that we can do contract documents and
16 then go out to bid in the beginning of the
17 second quarter.

18 LEGISLATOR DENENBERG: So the 100
19 percent design is the detailed technical
20 specifications that we would need to do a
21 construction bid?

22 MR. MILLET: Correct.

23 LEGISLATOR DENENBERG: The 30
24 percent design would be the first phase of
25 the design so that we could get to detailed

1 Finance Committee/7-29-13

2 technical specs?

3 MR. MILLET: Correct. They would
4 put together what equipment we would want to
5 use, how we would want to put everything in
6 order so the designer can build it the way
7 it's exactly laid out without having any
8 guesswork by the designer.

9 LEGISLATOR DENENBERG: So let's
10 go to 341 now which is the \$72.5 million
11 which, Mr. Arnold, you said that would be
12 ready, I believe you said ready for bidding
13 on construction second quarter 2014?

14 MR. ARNOLD: Yes, that is running
15 under the same time frame as the electrical
16 distribution job.

17 LEGISLATOR DENENBERG: What is it
18 and are we in the 30 percent design phase
19 right now and need to move to a 100 percent
20 design phase?

21 MR. ARNOLD: Correct. It's with
22 our Hazen & Sawyer Pirnie, they are doing
23 the 30 percent design, and we need to move
24 to the 100 percent design phase.

25 LEGISLATOR DENENBERG: This 72.5

1 Finance Committee/7-29-13

2 ultimately is for what?

3 MR. ARNOLD: It's for whatever
4 alternative that this design report puts
5 together. They're still looking at the
6 various options.

7 LEGISLATOR DENENBERG: What's the
8 ultimate construction?

9 MR. MILLET: Ultimately it will
10 go out in the second quarter of '14 as well.

11 LEGISLATOR DENENBERG: For what?
12 326 is for electrical. The 72.5 is for --

13 MR. MILLET: Plant hardening as a
14 whole. It may be a dike with seawalls, it
15 may be some sort of retractable wall system
16 as well as exterior pumping.

17 We're talking to Pirnie with a
18 bunch of people the Dutch people who, this
19 is what they do best.

20 LEGISLATOR DENENBERG: So the 30
21 percent design for this too, Mr. Millet, has
22 already begun?

23 MR. MILLET: It is ongoing right
24 now.

25 LEGISLATOR DENENBERG: So when do

1 Finance Committee/7-29-13

2 we move to the 100 percent design phase?

3 MR. MILLET: Again, I think we're
4 looking at the end of October, beginning of
5 November. We're keeping everything on a
6 very short pace.

7 LEGISLATOR DENENBERG: I thought
8 you said first quarter of 2014.

9 MR. MILLET: The hardening is
10 going to move a little faster.

11 LEGISLATOR DENENBERG: So we're
12 looking at the end of fourth quarter 2013?

13 MR. MILLET: Correct.

14 LEGISLATOR DENENBERG: That's
15 when we would need this money?

16 MR. MILLET: That's when the
17 contract documents would be ready to go out.
18 New contract administration documents.
19 There is a long lead time on some of the
20 product information. So we got a little
21 jump on this one.

22 LEGISLATOR DENENBERG: Let me ask
23 now. I guess it's Mr. Arnold, but if you
24 can help, Mr. Millet, what you said,
25 existing projects on most of these different

1 Finance Committee/7-29-13
2 items, Baldwin and other areas that had
3 sewage 330-13 would be \$14.4 million and you
4 said that's adding to existing projects to
5 sanitize and help repair homes that were
6 contaminated.

7 MR. ARNOLD: Right. There was an
8 existing bond ordinance that this body
9 passed right after the storm, I think it was
10 three and a half million dollars, and that
11 was utilized for the interior work. We
12 needed an additional, roughly million and a
13 half, \$2 million to finish that part of the
14 work, plus the exterior work is running
15 around 11, \$12 million.

16 LEGISLATOR DENENBERG: How much
17 of the 3 and a half have we used so far?

18 MR. ARNOLD: It has all been
19 spent. We are in the process of paying
20 those claims right now.

21 LEGISLATOR DENENBERG: It's all
22 been spent in terms of what, our people
23 going out there and making repairs, or us
24 paying people that put in claims to us?

25 MR. ARNOLD: No. We brought a

1 Finance Committee/7-29-13
2 contractor on to do the interior clean-ups,
3 it us paying that contractor.

4 LEGISLATOR DENENBERG: So we've
5 done the cleanup ourselves? What about
6 people that didn't wait for our contractor
7 to do the cleanup? In the first month, I
8 know of several residents that didn't feel
9 they could wait because it was an unhealthy
10 condition and they did cleanups themselves.

11 MR. ARNOLD: That is being
12 handled by the county attorney's office.
13 I'm not sure where that stands at this
14 moment.

15 LEGISLATOR DENENBERG: Is this
16 money to help reimburse the people who laid
17 out money?

18 MR. ARNOLD: I would have to
19 speak with the county attorney.

20 LEGISLATOR DENENBERG:
21 Mr. Millet, if you know, I see your head
22 signals, but I want to get it on the record.

23 MR. MILLET: This money is going
24 to be used to, we still owe the original two
25 contractors on the interior work. We owe

1 Finance Committee/7-29-13
2 them about \$2 million, that will be used for
3 that. Right now we are doing the exterior
4 cleanup work on houses as we speak. That is
5 what this money is for.

6 If the county attorney has
7 claims, I guess they come here usually for
8 their bonding, but this is not intended to
9 pay claims that the county is intended to
10 pay the contractors who are performing the
11 cleanup work.

12 LEGISLATOR DENENBERG: They are
13 doing the work right now?

14 MR. MILLET: Yes.

15 LEGISLATOR DENENBERG: So for the
16 existing project, as you called it, where
17 it's zero dollars, we need to increase the
18 funding?

19 MR. MILLET: Yes, by this number.

20 LEGISLATOR DENENBERG: Several
21 other of the projects you said, I think all
22 of them, you said were existing projects,
23 correct, Mr. Arnold?

24 MR. ARNOLD: Yes.

25 LEGISLATOR DENENBERG: Let's go

1 Finance Committee/7-29-13
2 to 332, for example, that's \$33 million?

3 MR. ARNOLD: Correct.

4 LEGISLATOR DENENBERG: That's for
5 which existing project?

6 MR. ARNOLD: 3C-067.

7 LEGISLATOR DENENBERG: Which is
8 what?

9 MR. ARNOLD: Cedar Creek
10 miscellaneous equipment.

11 LEGISLATOR DENENBERG: That's a
12 project that's been existing at least since
13 the capital plan 2010?

14 MR. ARNOLD: I believe so. I
15 would have to double-check the exact year.
16 Goes back to at least '10 with an ordinance
17 in 2010.

18 LEGISLATOR DENENBERG: That was
19 in the millions I thought. So we've spent
20 that money --

21 MR. ARNOLD: We currently have a
22 carry forward of 15 million. This initial
23 \$33 million will allow us to get all our
24 projects done that are planned for this
25 coming year.

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2 LEGISLATOR DENENBERG: So that's
3 my question. I was looking at an existing
4 project that has \$15 million that, according
5 to this year's capital budget, the 2013
6 budget documents that I just received a
7 month ago, we still have \$15 million unused.

8 MR. ARNOLD: Correct.

9 LEGISLATOR DENENBERG: So we are
10 going to use that \$15 million and we think
11 we need another \$33 million?

12 MR. ARNOLD: We are going to put
13 contracts out this year that will require
14 the additional \$33 million.

15 LEGISLATOR DENENBERG: When is
16 that contract going to go out? When you say
17 "this year," is that the third quarter?

18 MR. ARNOLD: Cedar Creek screens
19 are going to go out by the end of the month,
20 Cedar Creek grit should be going out by the
21 end of the year.

22 We have a contract for final
23 screens that will go out in early '14, and
24 then there is other miscellaneous projects
25 that will also be put out.

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2 LEGISLATOR DENENBERG: How come
3 over the years we didn't use the \$15 million
4 authorization for this particular project?
5 I mean, that's been a carry forward number
6 for at least two or three years.

7 MR. ARNOLD: The Cedar Creek
8 screen project required a couple of go
9 arounds and what the correct design of this
10 facility should be, and there's been delays
11 in getting that job up because of that. It
12 is ready to go now. We are finalizing the
13 PLA which held the job up a little bit. And
14 now we're ready to go out to bid.

15 LEGISLATOR DENENBERG: So I'm not
16 reading it wrong through, this \$15 million
17 in this project, I'm reading it in our 2010
18 capital budget -- capital plan, I'm sorry?

19 MR. ARNOLD: I know this project
20 has been around since 2010. I don't have
21 the numbers in front of me exactly how we
22 funded it each year. I have to go back and
23 look at that.

24 LEGISLATOR DENENBERG: So some of
25 that \$48 million should be hitting the

1 Finance Committee/7-29-13
2 streets in a bid right now, this month?

3 MR. ARNOLD: The screen jobs will
4 be going out in August.

5 LEGISLATOR DENENBERG: The SEQRA
6 for 334, what is it, we haven't done the
7 SEQRA process yet so we need money for
8 engineers to get us through the process?

9 MR. ARNOLD: We went through
10 half the process. We got through the public
11 scoping session. This is the complete --
12 the last pieces of taking the comments from
13 the scoping session and completing the EIS
14 document.

15 LEGISLATOR DENENBERG: Who have
16 we hired for that?

17 MR. ARNOLD: We have not hired
18 anybody yet. Once we get the bond ordinance
19 approval, we'll get a contract.

20 LEGISLATOR DENENBERG: How did we
21 get through the first process, the public
22 scoping?

23 MR. ARNOLD: We utilized a
24 contract off the OGS state contract list and
25 they did the initial work for us.

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2 LEGISLATOR DENENBERG: What is
3 the name of that contract?

4 MR. ARNOLD: Environment and
5 Ecology is a company out of Buffalo that did
6 the work for us.

7 LEGISLATOR DENENBERG: At least
8 it's from New York State. Seems like we
9 have people closer. I'm okay. Thank you,
10 chairman.

11 LEGISLATOR DERIGGI-WHITTON: I
12 have a real quick one. Chairman Nicoletto,
13 you may even be able to answer it.

14 When you just mentioned the 722
15 that was before us the last finance, you
16 said only two items were included in that?

17 CHAIRMAN NICOLELLO: That
18 actually was a question I asked. I think
19 there were more than two items here that
20 were associated with the bond ordinance that
21 was before the Full Legislature.

22 MR. ARNOLD: I would have to go
23 back to my notes. 722 made up all of these.

24 LEGISLATOR DERIGGI-WHITTON: So
25 all of these were included in the 722?

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2 MR. ARNOLD: Yes.

3 LEGISLATOR DERIGGI-WHITTON: Which
4 we already passed in Finance.

5 CHAIRMAN NICOLELLO: Well, as you
6 know, the full 722 was not approved by the
7 Full Legislature.

8 LEGISLATOR DERIGGI-WHITTON:
9 Right, but we already passed it through here
10 to line up. So I just don't know why if we
11 already okayed --

12 CHAIRMAN NICOLELLO: Because
13 since there was a refusal on your side to
14 bond with the pay -- to authorize the full
15 \$722 million in borrowing --

16 LEGISLATOR DERIGGI-WHITTON: I
17 don't see why we have to come back to this.

18 CHAIRMAN NICOLELLO: -- to the
19 extent that items were not authorized, they
20 died. So you have to bring them back. So
21 since they were voted down in the Full
22 Legislature, there's no authorization for
23 any of these items that are before us. So
24 they have to come back to us. We have to
25 pass them again. They have to go to the

1 Finance Committee/7-29-13
2 Full Legislature again, and hopefully we
3 will get 13 votes at that time.

4 LEGISLATOR DERIGGI-WHITTON: So
5 none of these are included in the 262 that
6 we approved?

7 MR. ARNOLD: That is correct.

8 LEGISLATOR DERIGGI-WHITTON: I
9 don't know. To me it just seems like we
10 went through it already and now we are going
11 through it again for finance which just
12 lines it up -- we basically said we were
13 supportive of the project, we just weren't
14 going to bond for the whole thing at once.
15 But, to me, it just seems like we're being
16 very redundant right now.

17 CHAIRMAN NICOLELLO: Legislator
18 Denenberg has another question.

19 LEGISLATOR DENENBERG: Can we get
20 a list -- this was discussed when the 262
21 was passed. I think I asked for it at that
22 point and I had supported the whole amount.
23 But what's included in the 262? Can we get
24 a breakdown of that at some point before
25 this gets to Full, meaning this week, that

1 Finance Committee/7-29-13

2 would be important?

3 Just, on the record, can we do
4 that if we have that? I'm sure Legislator
5 Nicolello would like it for his side, and I
6 would like it here too. Thank you.

7 Was that a yes?

8 MR. ARNOLD: Yes.

9 CHAIRMAN NICOLELLO: Any other
10 questions? Legislator Abrahams.

11 LEGISLATOR ABRAHAMS: I will try
12 to be brief. I mean, obviously I think the
13 questions that Legislator Denenberg and
14 Legislator DeRiggi-Whitton indicated are
15 kind of along the same lines.

16 Our approach toward addressing
17 the issues at the Bay Park treatment plant
18 have always been tied to fact that, number
19 one, we wanted to see a greater amount of
20 oversight, we want to make sure we're
21 administering the contracts in a way,
22 especially when you're talking about \$722
23 million, it's in the best interest of the
24 Nassau County taxpayers that we watch every
25 single nickel on how that's being spent.

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2 As you probably know, Mr. Arnold,
3 as well as you, Mr. Millet, there are
4 multiple ways that are being talked about in
5 terms of the oversight, but that's something
6 that's very crucial to this legislative
7 body.

8 The next aspect, to be honest, is
9 that we asked for multiple things during the
10 debate two weeks ago. At that time there
11 was supposed to be a master schedule that
12 was going to outline this very same issue
13 that's before us today.

14 This is the first that we are
15 hearing that the electrical distribution
16 system will not go into contract until
17 quarter two of 2014, as per the Power Point
18 that the deputy county executive
19 demonstrated it clearly indicated, I
20 believe, I remember quarter four. Now I
21 guess quarter four is the design.

22 But, in that demonstration, not
23 once did we hear that a portion was going to
24 be broken out for the design, versus a
25 portion for the construction. We have no

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2 idea still at this point. I would love to
3 have had Hazen & Sawyer on here to ask the
4 question of how much the design would be.

5 These are the types of things
6 that we need answers to before we decide to
7 bond and, to be honest, and I said it before
8 and I'll say it again, we are committed
9 towards doing the entire amount to address
10 the Bay Park treatment issues, but we truly
11 believe the 262 million, we can only go
12 based off of what the county executive has
13 presented to us, the \$262 million gets that
14 process rolling, from the digesters to the
15 pumps, those things are all being addressed
16 with that first allotment of money. We were
17 hoping in good faith that we would see a
18 master schedule.

19 So my question comes down to
20 this. When will we see the master schedule
21 which gives us a breakdown week by week on
22 how things are being done? Obviously you
23 can't do everything at once. So there has
24 to be some type of project management master
25 schedule that indicates how things will be

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2 done so you don't have guys bumping into
3 each other constantly throughout the next 24
4 to 48 months.

5 MR. MILLET: The master schedule
6 or the construction master schedule that you
7 are looking for, cannot be fully developed
8 until we have design development to tell us
9 where the contracts are going to fall and
10 how the mopo in the plant will have to
11 operate. The plant has to operate
12 throughout the entire construction period.

13 So there has to be a very, I'll
14 say, delicate way to handle the plant while
15 you're going through and replacing major
16 pieces of the process. A detailed
17 construction program schedule is very
18 difficult until you have design done, until
19 you can see things.

20 The programmatic piece you saw,
21 the schedule you saw, is the programmatic
22 part to when we're going to get to bid. The
23 construction schedule cannot be put together
24 in that format until we know when the
25 construction dates are hitting.

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2 LEGISLATOR ABRAHAMS: Mr. Millet,
3 you should be able to give us a preliminary
4 schedule.

5 MR. MILLET: You had the
6 preliminary layout. Until you get
7 construction documents, until you get
8 biddable documents and until you get people
9 who bid, then you have to coordinate with
10 the different contractors. That's when the
11 CPO schedule gets developed.

12 LEGISLATOR ABRAHAMS: Mr. Millet,
13 there must be a disconnect because I swore I
14 heard Hazen & Sawyer, when I had the same
15 back and forth that they were working on a
16 master schedule that wouldn't be done until
17 August, September.

18 MR. MILLET: They certainly are
19 working on one, but now we have no funding
20 towards programs, and you cannot continue to
21 plug --

22 LEGISLATOR ABRAHAMS: So it was
23 never clear that they needed funding, the
24 entire funding, of \$722 million in order to
25 do that.

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2 MR. MILLET: Well, you need
3 funding to do design. You need funding for
4 that.

5 LEGISLATOR ABRAHAMS: I'm talking
6 about a master schedule. I'm not --

7 MR. MILLET: I think you're
8 disconnecting. I don't think it's as easy
9 as you think it is to turn around and say,
10 hey, here's this date, and here's that date,
11 and -- it doesn't work like. A construction
12 management --

13 LEGISLATOR ABRAHAMS: Then why
14 did they say that on the record though?

15 MR. MILLET: Listen, they're
16 going to give you an item. It's not going
17 to be what you think it is. It's just not.

18 LEGISLATOR ABRAHAMS: But if I
19 ask a question and they give a response,
20 they gave a response that a master schedule
21 would be developed --

22 MR. MILLET: It will be a 10,000
23 foot view. It will not be --

24 LEGISLATOR ABRAHAMS: It's not
25 what the question was. Maybe we should go

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2 back and make sure we check the record
3 because that's not the response.

4 MR. MILLET: Again, I can't see
5 anyone developing detailed construction
6 management without having any idea where the
7 design dates fall. And, without the design
8 dates, without the funding for design, you
9 can't do that.

10 LEGISLATOR ABRAHAMS: Let's try
11 it this way, Mr. Millet. Where are you with
12 the \$262 million that's been spent, been
13 authorized?

14 MR. MILLET: Four contracts when
15 out already and a fifth is due out --

16 LEGISLATOR ABRAHAMS: Contracts
17 have gone out that have come to this
18 legislature?

19 MR. MILLET: No. Contracts have
20 gone out on the street.

21 LEGISLATOR ABRAHAMS: So RFP.

22 MR. MILLET: Yes. To bid.

23 LEGISLATOR ABRAHAMS: What is the
24 total?

25 MR. MILLET: They haven't come

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2 back yet.

3 LEGISLATOR ABRAHAMS: What went
4 out, what kind of work, what's the estimate?

5 MR. MILLET: Rebuilding of the
6 final tanks were one.

7 LEGISLATOR ABRAHAMS: Final
8 tanks, okay.

9 MR. ARNOLD: Final tanks when out
10 to bid. Odor control is going out to bid.
11 I was off last week so I don't know if it
12 actually went out last week.

13 LEGISLATOR DENENBERG: Odor
14 control is from an old project.

15 MR. ARNOLD: You had the pump
16 stations at Glen Cove, the final GBT
17 project.

18 LEGISLATOR ABRAHAMS: What is the
19 turnaround on these bids, Mr. Arnold?

20 MR. ARNOLD: Usually they're out
21 for bid usually about a month.

22 LEGISLATOR ABRAHAMS: So 30 days.

23 MR. ARNOLD: 30 days.

24 LEGISLATOR ABRAHAMS: So we
25 should expect something back by the end of

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2 August?

3 MR. ARNOLD: Should have
4 contracts back.

5 LEGISLATOR ABRAHAMS: When can
6 this legislature anticipate contracts
7 associated with these particular bids?

8 MR. ARNOLD: If we get vendors
9 that we are familiar with, they are quicker
10 to turn around, you can see something
11 probably within two weeks of getting back.

12 LEGISLATOR ABRAHAMS: So it's
13 possible we can see stuff as early as the
14 first session in September?

15 MR. ARNOLD: Yes. More likely
16 the second session.

17 LEGISLATOR ABRAHAMS: What about
18 the balance of the rest of the 260 or is
19 that for the entire 260?

20 MR. ARNOLD: That's it.

21 LEGISLATOR ABRAHAMS: That's the
22 entire 260, all that will be --

23 MR. ARNOLD: There's design work
24 going on, program management work going on,
25 and --

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2 LEGISLATOR ABRAHAMS: So
3 everything that we outlined in the third
4 quarter of 2013 that's going to get done,
5 that entire programmatic schedule, that's
6 all on the street, that's all being bid
7 on, correct?

8 MR. ARNOLD: I have to check on
9 the one item.

10 LEGISLATOR ABRAHAMS: If I
11 remember correctly, I thought there were
12 more things. So there's four contracts
13 that's going to cover everything, five
14 contracts that's going to cover everything
15 that we're talking about, the 262?

16 MR. ARNOLD: We have two design
17 jobs that are also part of that 260 that
18 need to go out, which is the sludge
19 dewatering facility, and the effluent
20 pumping facility.

21 LEGISLATOR ABRAHAMS: When will
22 those go out?

23 MR. ARNOLD: I would have to
24 check with the engineer. Assume some time
25 this month.

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2 LEGISLATOR ABRAHAMS: What is the
3 estimates on those?

4 MR. ARNOLD: The sludge
5 dewatering design, the construction is
6 estimated about 35. You're probably talking
7 3 to \$4 million on design.

8 LEGISLATOR ABRAHAMS: And the
9 effluent? Effluent pump is probably roughly
10 the same number. About the same.

11 LEGISLATOR ABRAHAMS: So about
12 \$70 million of the 260 is still not out on
13 the street, am I saying that right?

14 I thought you said 35 for each
15 one. So about \$70 million of the 260 is not
16 on the street?

17 MR. ARNOLD: Correct.

18 LEGISLATOR ABRAHAMS: So of the
19 stuff that is out on the street and possibly
20 could be awarded by some time in September,
21 when will we anticipate -- see this is the
22 thing. We want to see work and we want to
23 be able to say to the taxpayers, go visit
24 the plant and you'll see construction going
25 on. When can we say to someone,

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2 construction will start with regard to these
3 projects?

4 MR. ARNOLD: We are talking about
5 a lot of moving parts which is why we are
6 having such trouble with this.

7 The schedule that you have, the
8 roll up schedule that was given to you
9 indicates construction starting for influent
10 screens in the third quarter of '13. That
11 job will be out to bid this month. So that
12 job before the end of the year will be in
13 construction.

14 Secondary treatment facilities,
15 which is the final tanks, the repair of the
16 final tanks is out to bid now. Again, that
17 job will start in the last quarter of '13,
18 construction, if we get the contractor, we
19 get a responsible contractor, we come to
20 this body, it gets approved, and --

21 LEGISLATOR ABRAHAMS: Final
22 tanks?

23 MR. ARNOLD: Final tanks.

24 LEGISLATOR ABRAHAMS: That's one
25 thing we can expect to be done in the third

1 Finance Committee/7-29-13

2 quarter. What else?

3 MR. ARNOLD: Digesters you're
4 already aware that that's ongoing. That
5 construction contract has already started.
6 Sludge thickening, that we need to get final
7 design. That contract will probably go out
8 to bid toward the end of the year. So we
9 need that money for the bond ordinance so we
10 can award that --

11 LEGISLATOR ABRAHAMS: Wait. The
12 sludge thickening will go out to bond at the
13 end of the year?

14 MR. ARNOLD: I'm sorry. Sludge
15 thickening is currently out to bid. So that
16 job will start before the end of the year.
17 Sludge dewatering is the one we're doing
18 design on.

19 LEGISLATOR ABRAHAMS: Dewatering,
20 that's right.

21 MR. ARNOLD: Sorry. I reversed
22 those.

23 LEGISLATOR ABRAHAMS: That's
24 okay. So basically, in the third quarter of
25 this year, what taxpayers can expect is the

1 Finance Committee/7-29-13
2 final tanks will be in construction some
3 time by September?

4 MR. ARNOLD: As long as those
5 things happen, there's always that case we
6 get a bad bid. We have to rebid something,
7 you know?

8 LEGISLATOR ABRAHAMS: In that
9 programmatic plan it outlined that this
10 stuff would get done in the third quarter,
11 and I'm not here -- I understand things come
12 up and electrical distribution would start
13 in the fourth quarter.

14 So, in essence, wouldn't we want
15 to see a good chunk of the stuff we outlined
16 for the third quarter get done before we go
17 into the fourth quarter stuff?

18 MR. MILLET: You can't wait to go
19 into design because now you're fracturing
20 the way the plant has to operate. There is
21 a certain way you want to approach
22 repairing.

23 LEGISLATOR ABRAHAMS: This is as
24 per your plan. You outlined that the
25 electrical distribution system wasn't going

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2 to go into contract for the fourth quarter.
3 Not me.

4 MR. MILLET: That's a
5 construction contract. It has to go into
6 design. The design gets paid out of the
7 same money.

8 LEGISLATOR ABRAHAMS: I
9 understand that. But you said today, which
10 was news to us, I guess maybe it was news to
11 you, that construction wasn't going to start
12 until second quarter of 2014. Was that
13 factored in when you came up with this or
14 Mr. Walker came up with the presentation
15 regarding the electrical distribution? Was
16 it always supposed to start construction in
17 2014, quarter two?

18 MR. MILLET: Let me take a look.

19 LEGISLATOR ABRAHAMS: I'm
20 thinking everything got pushed back.

21 MR. MILLET: No.

22 LEGISLATOR ABRAHAMS: So then Mr.
23 Walker came down here with the impression
24 that the construction was going to start in
25 2014, even though a document that was up on

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2 the screen presented something different?

3 MR. MILLET: I didn't look at the
4 document. I'm going to look at it right
5 now. My apologies if I put a wrong date in
6 there. There's an awful lot of information
7 that's bouncing around.

8 LEGISLATOR ABRAHAMS: I
9 understand. Take your time.

10 MR. MILLET: According to the
11 chart, it will be ready for construction
12 documents in the fourth quarter of '13.
13 That means it's going out to bid in the
14 fourth quarter of '13. But it's not going
15 to go out to bid in the fourth quarter of
16 '13 because I don't have any design money.

17 LEGISLATOR ABRAHAMS: Again,
18 that's what the Power Point said but today
19 it's something different.

20 MR. MILLET: Because I misspoke.
21 I got the wrong date.

22 LEGISLATOR ABRAHAMS: You didn't
23 say it though, Mr. Millet. Mr. Arnold said
24 earlier --

25 MR. MILLET: He is apologizing

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2 for the wrong date.

3 LEGISLATOR ABRAHAMS: So it's not
4 the second quarter of 2014?

5 MR. MILLET: It is going out.
6 Our schedule is to put it out in the last
7 quarter of '13, but our schedule can not be
8 met if I don't have the design money.

9 LEGISLATOR ABRAHAMS: Mr. Millet,
10 you're beating a dead horse with that. I
11 understand that.

12 What I'm saying is, you misspoke
13 when it was supposed to be --

14 CHAIRMAN NICOLELLO: He's not
15 beating a dead horse. He's trying to make a
16 point and apparently it's not getting
17 through to you.

18 LEGISLATOR ABRAHAMS: I would
19 appreciate, Mr. Nicolello, I've never jumped
20 in.

21 CHAIRMAN NICOLELLO: That's true,
22 but you just interrupted him.

23 LEGISLATOR ABRAHAMS: We're
24 having a discussion.

25 CHAIRMAN NICOLELLO: Right.

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2 LEGISLATOR ABRAHAMS: So let me
3 ask you again, and this is to make the
4 point. So when Mr. Arnold said that we
5 wouldn't be going into construction until
6 the second quarter of 2014, he misspoke?

7 MR. MILLET: He had not looked at
8 the flow chart.

9 LEGISLATOR ABRAHAMS: So what was
10 he looking at?

11 MR. MILLET: He had not brought
12 it up yet.

13 LEGISLATOR ABRAHAMS: Mr. Arnold,
14 was that just a number that was in your
15 head? Is there another document that you
16 were referring to?

17 MR. ARNOLD: I didn't check my
18 notes when I said it was '14. I was making
19 an assumption. I should have went back and
20 looked at the table.

21 LEGISLATOR ABRAHAMS: So it's
22 your recollection it's quarter four of 2013?

23 MR. ARNOLD: Yes.

24 LEGISLATOR ABRAHAMS: Okay. As I
25 said before, and I will go back to it again,

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2 and I'll understand that point, but I'm
3 going to go back to the same point that we
4 have been making now is that, number one, we
5 been given an enormous amount of money
6 towards an investment which we understand
7 will be in the hundreds of millions of
8 dollars that we plan to do.

9 I still would need to see more
10 information as our side would want to see
11 more information that clearly delineates how
12 this plan will be implemented over the next
13 couple of years.

14 I would strongly suggest -- I
15 mean we had allocated \$262 million to go
16 towards those third quarter expenses. I
17 would strongly suggest that the
18 administration utilize resources so that
19 they can do the design on the electrical
20 distribution system and come back to this
21 legislature with a master schedule on how
22 things will get done.

23 From our standpoint, when we
24 allocated \$262 million to be allocated for
25 the third quarter towards the Bay Park

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2 Sewage Treatment Plant, we expected to see
3 \$262 million in contracts. Is that a fair
4 expectation when we look at the Power Point
5 presentation? Our expectation was to see
6 \$260 million to be filtered through this
7 legislation by the end of September.

8 That is not going to be the case
9 from what I'm hearing today. So the people
10 in Bay Park, East Rockaway and Baldwin,
11 throughout the entire south shore have been
12 sold a bad bill of goods, because they're
13 being told based off of what they came here,
14 was presented with, is that we're going to
15 be entering into contracts into the third
16 quarter of 2013. This makes the point even
17 more clearer on why we need to have some
18 oversight.

19 Not only that, it also makes the
20 point clearer that the bottom line is, we
21 are going to bond to insure work gets done
22 when the county executive indicates it's
23 going to get done.

24 From our standpoint, we should
25 not go over 260 until he shows us the

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2 contracts that are associated with the 260
3 and we visit the site, which I'm going to
4 suggest to this entire legislature, we go to
5 this site, I know many of use have been
6 there before and many of us have been there
7 since Sandy, and I plan to go there several
8 times between now and the end of the year
9 because I want to make sure that, number
10 one, that the taxpayer's investment is being
11 done soundly, and, number two, we want to
12 make sure that the work is progressing in an
13 even keeled manner.

14 If we decide to give \$722 million
15 to this administration at this point, at
16 this juncture, it would be a wrong
17 investment for this county. We need to make
18 sure this work actually gets done, and not
19 just get it done, but get it done in a
20 timely manner so people are not -- instead
21 of waiting 24 to 48 months which was
22 outlined by Hazen & Sawyer, they're waiting
23 hundreds of months to get this thing done.
24 I think the people in that area have waited
25 long enough and this is the best way to get

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2 it done.

3 So we envision seeing the rest of
4 the contracts for the \$260 million be
5 presented to this legislature, and at that
6 time we will definitely look to foot the
7 bill on the electrical distribution system.

8 So I would strongly suggest to my
9 side that we vote no on this particular
10 item. Thank you.

11 CHAIRMAN NICOLELLO: Legislator
12 Muscarella.

13 LEGISLATOR MUSCARELLA: I just
14 have a couple of questions because it
15 boggles my mind.

16 Am I wrong that the deputy county
17 executive came here a couple of weeks ago
18 and said, the most effective way to do this,
19 the only proper way to do this was to bond
20 the whole thing so that we would proceed
21 expeditiously in a manner that would be the
22 most effective to get the plant fixed? Was
23 I wrong in thinking that that was his
24 presentation?

25 MR. MILLET: No.

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2 LEGISLATOR MUSCARELLA: And if we
3 had bonded the entire amount of money, would
4 this process go much more smoothly, much
5 more quickly to get this plant fixed?

6 MR. MILLET: Yes.

7 LEGISLATOR MUSCARELLA: So it
8 seems to me that the protestations of the
9 minority in that the best way to go about
10 doing this is to do it piecemeal and have
11 the administration get its act together and
12 to feign this outrage that it's going to be
13 much better if the administration does its
14 piecemeal is in fact putting obstacles in
15 front of the administration at every single
16 step of the way, and then feigning outrage
17 that they're not doing it as expeditiously
18 as possible. Am I wrong? I don't want to
19 put you on the spot. That's my own comment
20 and you don't have to agree or disagree with
21 that.

22 But it seems to me that anyone
23 that's been here for the last two meetings
24 can see that the administration presented a
25 way to get this done for the residents of

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2 Nassau County and that the minority's
3 protestations that it was not being done
4 quick enough or expeditiously enough is in
5 fact because of their actions, not despite
6 their actions, because it's not because of
7 the actions of the administration, but the
8 actions of the minority that are in fact
9 throwing up obstacles every step of the way
10 to get this done for the citizens of Nassau
11 County.

12 LEGISLATOR ABRAHAMS: You know
13 what, I take some umbrage with that because,
14 you know what, the fact remains, Mr. Arnold,
15 and Mr. Millet, this legislature bonded \$400
16 million. \$400 million for the same
17 expenses, some of the stuff that should have
18 been done pre-Sandy that wasn't done.

19 So the fact remains, we did bond
20 \$400 million at a particular time and work
21 didn't happen, it didn't happen for whatever
22 reason it may have not happened.

23 So the fact remains, we need to
24 make sure that we do not give a bonding
25 authorization of \$722 million if we want to

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2 insure projects are actually going to get
3 done at our treatment plants.

4 We have given \$262 million. That
5 is enough to get the ball rolling. When
6 Mr. Arnold or Mr. Millet presents to us that
7 those contracts that we have bonded for in
8 the third quarter of this year get done and
9 work gets done and we can say to people,
10 look this is what's happening, this is
11 what's getting done, we are more than happy
12 to bond for the electrical distribution and
13 pay for that expense. But we can't do that
14 before we see work being done.

15 We have been down this road,
16 folks, where we bonded and the work didn't
17 get done. We bonded a capital plan in 2010.
18 We were supposed to do a ton of road
19 projects and nothing got done. So we are
20 not going to go down this road again. We're
21 going to be more prudent and we're going to
22 make sure what we outline, whether it be the
23 odor control, the dewatering system, you
24 name it, the pumps, the digesters, it's
25 going to get done, it's going to be well on

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2 its way before we even consider giving this
3 administration more money.

4 CHAIRMAN NICOLELLO: You don't
5 have to respond to that.

6 MR. ARNOLD: There's road
7 projects to SSW, and you have to understand
8 also, even the capital plan that was
9 approved, NIFA had approved the actual
10 borrowing. Projects were held up because we
11 did not getting the borrowing --

12 CHAIRMAN NICOLELLO: Wait, wait,
13 wait. We're not interrupting and we're not
14 jumping in. There's some decorum to this
15 committee. Mr. Denenberg --

16 LEGISLATOR DENENBERG: Not one
17 sewer and storm water project -- denied by
18 NIFA.

19 MR. ARNOLD: That is correct.
20 I'm not disagreeing with you, legislator,
21 when you bringing road projects, the delay
22 of road projects --

23 CHAIRMAN NICOLELLO: Mr. Arnold,
24 understand something. You don't have to
25 respond to that because it's just another

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2 false issue they are throwing up there. I
3 noticed in the last statement they brought
4 up this whole issue which was explained last
5 time about the \$400 million in borrowing.

6 It was explained to them that
7 they had spent every dime of that money,
8 that it would have been under water in
9 Hurricane Sandy, but they still bring it up
10 because it's another issue.

11 They may seem intent on slowing
12 down this project. They've given you all
13 sorts of reasons, piecemeal is a better way
14 to do it, we have to committees, oversight,
15 and it's going to save us money. There's no
16 proof of any of that. It's just members of
17 the minority caucus creating issues. But,
18 again, it makes no sense to me to want to
19 slow this down.

20 We are all political individuals,
21 we all ran for office, but, from a political
22 standpoint, why would you want to slow down
23 this? There is nothing to be benefitted
24 from it. From a governmental standpoint,
25 it's been explained over and over again that

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2 you can't break this down piecemeal and, to
3 the extent that you do, it simply slows down
4 the project and the work will not get done
5 in a timely fashion. If we started on the
6 project long enough, we're going to be into
7 a second hurricane season.

8 Ultimately, this money is going
9 to be spent. It has to be spent. We have
10 to repair the electrical works. We have to
11 make it storm proof. We have do the same
12 with the facility. We have to make the
13 repairs to Cedar Creek.

14 To slow it down and make it,
15 let's do it piecemeal, let's fund the design
16 first, and then maybe we'll have you come
17 back and do the contract. It could do
18 nothing else but make sure that this project
19 doesn't get done until much further down the
20 road.

21 So, again, for whatever reason,
22 and they've thrown up a whole bunch of
23 different things. Let's have another
24 committee look at them, the county executive
25 have his committee, and somehow we'll form

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2 another committee and we'll have them in Bay
3 Park overseeing the operation, and somehow
4 it's going to be to benefitted.

5 Again, you know, I don't
6 understand why they want to slow this down.
7 I don't the benefits to the people of Nassau
8 and I don't understand the benefit to them
9 politically, so it just makes no sense to
10 me.

11 Legislator Denenberg.

12 LEGISLATOR DENENBERG: Thank you.
13 Legislator Nicoletto, I, for one, again,
14 have never voted against any funding for the
15 sewage treatment plants, not in all the
16 years I've been here.

17 I agree with you, 100 percent, to
18 form new committees to do what we should be
19 doing is ridiculous. But I been writing
20 letters since 2010 to renew and start up
21 again with either Public Works or the Full
22 Legislative Body to have hearings on a
23 regular basis just as to the status of all
24 capital projects, but, specifically, the
25 sewage treatment plants. And I will always

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2 disagree if we have projects and we do for
3 years for influent pump, effluent pumps,
4 digesters, gravity belt thickeners, odor
5 control, that if that had not been done,
6 clearly at Cedar Creek, if it was done on
7 time, it would have been done on time.

8 So it's incumbent upon us to do
9 our job to make sure that we know what the
10 status of these projects are. And you're
11 not going to get me to say we shouldn't have
12 the money allocated, we should. But we also
13 shouldn't give our job to any committee and
14 we don't need committees. The committees
15 are the legislature and the Public Works
16 Committee to know where these projects are
17 and why they slip, a year, two years, three
18 years, four years.

19 CHAIRMAN NICOLELLO: I can tell
20 you why this one is slipping. We can't get
21 authorization to borrow. Every time we
22 oppose it it gets slowed down.

23 LEGISLATOR DENENBERG: Every
24 project Mr. Arnold just mentioned, odor
25 control, digester, I think he mentioned

1 Finance Committee/7-29-13
2 gravity belt thickeners, are existing
3 projects that are four, five years old.

4 CHAIRMAN NICOLELLO: Well, there
5 were a lot of projects that were dormant
6 when you left the majority, so if you want
7 to go down that road -- there were
8 infrequent meetings to discuss it, there was
9 needed repairs to both Bay Park and Cedar
10 Creek that were not done.

11 LEGISLATOR DENENBERG: Rich, in
12 '07, '08 -- done in the plants which was
13 millions of dollars. Mr. Arnold just
14 confirmed that a new dewatering facility
15 that was put into Cedar Creek.

16 So don't say -- what have we done
17 in four years? What?

18 CHAIRMAN NICOLELLO: We've done
19 more than we did before that, that's for
20 sure.

21 LEGISLATOR DENENBERG: Hurricane
22 Sandy for everything. Low and behold,
23 Hurricane Sandy came and all these projects
24 we haven't done, thank God we didn't do
25 them, because Sandy would have wiped them

1 Finance Committee/7-29-13

2 out. It doesn't make sense. You are not
3 going to get a no vote from me. You're
4 going to get a yes vote for the funding.

5 But I'm also agreeing with you,
6 no separate committees. We need to do our
7 oversight. We are the legislature, period.

8 CHAIRMAN NICOLELLO: All right.
9 Any other questions? Legislator Walker.

10 LEGISLATOR WALKER: I don't need
11 to say what's been said over and over by my
12 colleagues on this side of the table.

13 But I just look at the one area
14 that we're talking about, the electrical
15 system. When the project was presented
16 here, and it was emphatically said, we need
17 to do this as a whole, we need to do the
18 project as a whole, I just think on a much
19 smaller scale, I think if you had to do
20 major repairs in your house, you would have
21 to look at that project as a whole. You
22 can't say, I'll start with this little bit,
23 and then I know have to replace the whole
24 thing, but I'll start with this and then
25 we'll see what the design is for the next

1 Finance Committee/7-29-13

2 part, and the money for the next part.

3 I just look at this electrical
4 area and we're spending \$700,000 a month on
5 generators running our sewage treatment
6 plant. It just scares me to death to think
7 if something happens and that goes down in
8 any way the mess that this county will be
9 in.

10 I don't think all of us wanted to
11 listen to the part of the presentation that
12 said we need to look at this as a whole, we
13 need to put it together as a whole. We
14 didn't want to face that and even now we
15 don't want to face the fact that these
16 monies have to be made available so we can
17 give out the information for it.

18 LEGISLATOR ABRAHAMS: If I may,
19 through the chair.

20 CHAIRMAN NICOLELLO: Legislator
21 Abrahams.

22 LEGISLATOR ABRAHAMS: And I have
23 a great amount of respect for Legislator
24 Walker, but, to me, the analogy that was
25 presented is totally the opposite of what

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2 we're talking about.

3 What we're talking about is,
4 we're in favor of building that house and
5 you should design that house to whatever you
6 want to design it to; four bedrooms, three
7 bathrooms, kitchen, living room.

8 What we're against is, you would
9 never pay a contractor \$400,000 \$500,000
10 \$800,000 all up front and hope he does the
11 work in an executed manner. What we're
12 saying is, no one in this country gets paid
13 for work that they promise to do. Everybody
14 gets paid for work that they do and they
15 show that work gets done and things get done
16 in phases. Look, when I enter into a
17 contract, if I want to do work on my house,
18 we pay it out in three payments, or
19 sometimes two payments.

20 All I'm saying is, that's the
21 approach we're taking. We have an
22 agreement. I've said it before, we agree
23 that whatever the cost is, we will provide
24 the votes to make sure that that is paid
25 for. We have never deviated from that.

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2 But the point that needs to be
3 made is that what is being asked of us is
4 that we pay for the entire amount up front.
5 That's when you ask \$722 million to be
6 bonded, that's what you are asking this
7 legislative body to do.

8 LEGISLATOR WALKER: I do respect
9 you, Kevan, but I do disagree. We are not
10 putting the money up front. We are making
11 sure we have the monies available to us
12 that, as we move on to the next thing we
13 have to do, the next contract we have to
14 send out, we know we have the monies for.

15 It would be totally ridiculous to
16 think -- I don't care if you are doing
17 something with a small amount of money and
18 you say, oh, here's all the money and you
19 hope the job gets done. Absolutely not.

20 But I think you do have to make
21 sure the money is there for you to be able
22 to put it out when you have to.

23 CHAIRMAN NICOLELLO: Legislator
24 Muscarella.

25 LEGISLATOR MUSCARELLA: You know,

1 Finance Committee/7-29-13

2 I agree with you, Kevan, no one would pay
3 all that money in the beginning.

4 But, here is my analogy. My
5 analogy is, I have to do the roof, I have to
6 do the foundation, the interior, the
7 exterior. What you're doing is, you're
8 saying, the whole job is going to cost us
9 \$100,000. But what I'm going to do, I'm
10 going to get a mortgage first to do the roof
11 for \$10,000. Once that roof is done, then
12 maybe I'll go out and get a mortgage to do
13 the next phase.

14 You're asking, you're saying,
15 yeah, but the money is going to be there.
16 So, you know, foundation guy, and exterior
17 guy, start doing the work, even though I'm
18 only bonding, even though I'm only getting
19 my mortgage from my roof now, I'll be
20 getting that mortgage later on.

21 No contractor in the world would
22 go ahead and start doing the work and the
23 plan when you are only mortgaging for the
24 roof and you're saying you'll get the
25 mortgages. You take one mortgage, you get

1 Finance Committee/7-29-13
2 the \$100,000, and then you dispense it as
3 you go along. But at least you got the
4 contractors lined up to do the work
5 expeditiously and in the right order so that
6 the plant keeps going and you do the jobs
7 individually.

8 You've got to bond the whole
9 thing first. You don't say, I'm going to
10 get the next phase later.

11 LEGISLATOR ABRAHAMS: Vinny,
12 that's where we respectfully disagree, that
13 you have to bond the first allotment. We
14 respectfully disagree. Because not one
15 project that's starting in quarter three is
16 being delayed because of this. Not one.
17 Not one contract that was supposed to be
18 implemented in the third quarter to do the
19 digesters and the pumps is being delayed
20 because of it. Not one.

21 The only delays that we have
22 heard about are because of getting RFPs out,
23 getting them awarded, takes time. We
24 understand that. That's why, again, we are
25 committed towards every single dime that's

1 Finance Committee/7-29-13
2 necessary. But we are going to make sure at
3 the same time that work gets implemented.

4 When was the last time we've done
5 a hearing on the capital plan? When was the
6 last time we've done a hearing on our sewage
7 treatment plants?

8 So, from that standpoint, to
9 allow this process to go forward, when will
10 someone come back to the legislature and
11 give us a report on where we stand with, not
12 just Bay Park, but Cedar Creek and all our
13 treatment plants?

14 This is a legislative body that
15 has to exercise its oversight. Right now
16 we're not doing that. The only way we are
17 going to do that and get that done is that
18 we force the administration to come back to
19 us and get more authorization for the next
20 phases of the project. That's the best way
21 to get it done. We have not got hearings
22 done in this legislative body for years now.
23 Years. I think we are in violation of the
24 charter when it comes to the hearings we
25 need to have for legislative budget review.

1 Finance Committee/7-29-13
2 Did we even have a hearing so far this year?
3 We are violating the charter already.
4 Someone could easily sue us on the fact that
5 we are violating the charter of having
6 hearings in legislative budget review which
7 are specified in the charter to do.

8 So this is no different. We are
9 going to force the county executive to come
10 down here and give us updates because
11 obviously he's not giving us updates via the
12 hearings. We're not getting updates via
13 reports in the questions that we're asking.

14 So we need better answers and we
15 need better responses. And, look, the only
16 way we're going to get -- I hate to put
17 Mr. Arnold and Mr. Millet in these kinds of
18 positions because I know they are just
19 trying to do their job, but the only way
20 we're going to be able to get that is if we
21 cut off the bonding and we require the
22 county executive to come down here or
23 whatever staffers to come down here to give
24 us updates.

25 Then, we will go one step

1 Finance Committee/7-29-13
2 further, we plan, I can speak for our side,
3 we plan to visit the site multiple times to
4 make sure our \$260 million investment on
5 behalf of the taxpayers of Nassau County is
6 implemented well.

7 CHAIRMAN NICOLELLO: Okay. At
8 least you have come out and said you are
9 cutting off the bonding to force the county
10 executive to come down here repeatedly.
11 They've told you, the engineers have told
12 you, it's not the proper way to do this.
13 You've made your decision.

14 Just to clarify one thing. When
15 we authorize the bonding, the money doesn't
16 get borrowed immediately. Obviously when
17 the project starts to roll and you encumber
18 the money and you do the contracts, do the
19 design work, as you spend the money, then
20 the money is borrowed, but, anyway, any
21 other questions on this item?

22 LEGISLATOR DERIGGI-WHITTON: Just
23 one last comment. This started off on the
24 wrong foot when Mr. Millet came down here
25 and mentioned that there was \$400 million

1 Finance Committee/7-29-13

2 left.

3 Now, obviously, since then, he's
4 been corrected, but that just goes to show
5 that there really is -- even your own
6 spokesman wasn't sure of what a \$300 million
7 difference is.

8 So, you have to understand, this
9 is not that we're just walking into a
10 situation. We have reason to want to make
11 sure everything is done correctly.

12 CHAIRMAN NICOLELLO: So that's
13 another reason to add to the minority not
14 voting for this because of how they're upset
15 because of something Mr. Millet said.

16 LEGISLATOR DERIGGI-WHITTON: A
17 \$300 million mistake from your expert is
18 something to be concerned about.

19 CHAIRMAN NICOLELLO: The longer
20 we talk the more excuses come out as to why
21 you don't want to do this. Again, slowing
22 down this project is not in the best
23 interests of the taxpayers of Nassau County,
24 no matter what you say. It's perilous
25 because at some point, the chickens may come

1 Finance Committee/7-29-13
2 home to roost, and we may have another
3 devastating event there which we won't be
4 prepared for. That's the nightmare scenario
5 that nobody wants to deal with but the
6 project is being slowed down, and, for
7 whatever reason, the minority wants to do
8 that.

9 Any questions?

10 (No verbal response.)

11 Is there any public comments?

12 (No verbal response.)

13 All those in favor of passing
14 this, signify by saying aye.

15 (Aye.)

16 Any opposed?

17 (Nay.)

18 Items pass five to two.

19 LEGISLATOR DENENBERG: I was an
20 aye.

21 CHAIRMAN NICOLELLO: May I have a
22 motion to suspend the rules?

23 LEGISLATOR WALKER: So moved.

24 LEGISLATOR MUSCARELLA: Second.

25 CHAIRMAN NICOLELLO: Moved by

1 Finance Committee/7-29-13
2 Legislator Walker, seconded by Legislator
3 Muscarella. Item 267 of 2013 is an
4 ordinance making certain determinations
5 pursuant to the State Environmental Quality
6 Review Act and authorizing the county
7 executive of the County of Nassau to accept
8 on behalf of the County of Nassau an offer
9 of purchase from Gabrielli Truck Sales, Ltd.
10 Of certain premises located in Indwood.

11 LEGISLATOR VENDITTO: So moved.

12 LEGISLATOR WALKER: Second.

13 CHAIRMAN NICOLELLO: Moved by
14 Legislator Venditto, seconded by Legislator
15 Walker. Do we have any questions?

16 (No verbal response.)

17 This item went before the
18 Planning Committee before. Legislator
19 Denenberg.

20 LEGISLATOR DENENBERG: No
21 questions. Just what you noted, there was a
22 record before that committee.

23 CHAIRMAN NICOLELLO: And the item
24 was amended in Planning.

25 Is there any public comment?

1 Finance Committee/7-29-13

2 (No verbal response.)

3 All those in favor signify by
4 saying aye.

5 (Aye.)

6 Any opposed?

7 (No verbal response.)

8 The item carries unanimously.

9 Item 346 of 2013 is a resolution
10 authorizing the county executive to execute
11 a grant agreement between the County of
12 Nassau acting on behalf of the Department of
13 Parks, Recreation and Museums and Surf For
14 All.

15 LEGISLATOR WALKER: So moved.

16 LEGISLATOR MUSCARELLA: Second.

17 CHAIRMAN NICOLELLO: Moved by
18 Legislator Walker, seconded by Legislator
19 Muscarella. Any questions from the
20 legislators?

21 LEGISLATOR DENENBERG: Just
22 explain what this is.

23 MR. MAY: Surf for All is the
24 Long Beach Film Festival and we have Ms.
25 Eileen Kreeb to answer any questions you may

1 Finance Committee/7-29-13

2 have on it.

3 LEGISLATOR DENENBERG: Did we do
4 this last year too?

5 MR. MAY: This particular film
6 festival, we did.

7 LEGISLATOR DENENBERG: We did
8 this last year, Eileen?

9 MS. KREEB: Yes. We funded the
10 same film festival last year.

11 LEGISLATOR DENENBERG: Okay.

12 CHAIRMAN NICOLELLO: Thank you.

13 Any public comments?

14 (No verbal response.)

15 All those in favor signify by
16 saying aye.

17 (Aye.)

18 Those opposed?

19 (No verbal response.)

20 That item is carried unanimously.

21 Now we have a series of items that have to
22 go through executive session which include
23 Items 303, 304, 305, 306, 307, 308, 309,
24 310, 311, 312, 313. Item 303 of 2013 is an
25 ordinance providing for a capital

1 Finance Committee/7-29-13
2 expenditure to finance the payment of
3 certain judgments, awards, determinations or
4 compromised or settled claims against the
5 county of Nassau authorizing \$949,262.62 of
6 bonds of the County of Nassau.

7 And Item 304 through 313 are all
8 resolutions authorizing the county attorney
9 to compromise and settle certain workers
10 compensation matters.

11 Item 322 is a resolution
12 authorizing the county attorney to
13 compromise and settle the action entitled
14 Wharton vs County of Nassau.

15 323 is an ordinance providing for
16 a capital expenditure to finance the payment
17 of certain settled claims against the County
18 of Nassau and authorizing \$479,400 of bonds.

19 Item 324 is a resolution
20 authorizing the county attorney to
21 compromise and settle the action entitled
22 Martire versus the County of Nassau.

23 Item 325 is an ordinance
24 providing for a capital expenditure to
25 finance the payment of certain settled

1 Finance Committee/7-29-13
2 claims against the County of Nassau and
3 authorizing \$252,960 of bonds.

4 LEGISLATOR WALKER: So moved.

5 LEGISLATOR MUSCARELLA: Second.

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

9 LEGISLATOR VENDITTO: So moved.

10 LEGISLATOR WALKER: Second.

11 CHAIRMAN NICOLELLO: Legislator
12 Venditto makes a motion to go into executive
13 session, seconded by Legislator Walker.

14 All those in favor of going into
15 executive session signify by saying aye.

16 (Aye.)

17 Any opposed?

18 (No verbal response.)

19 We're in executive session.

20 (Whereupon, the Finance Committee
21 recessed into executive session at 5:38
22 p.m. and reconvened at 5:51 p.m.)

23 CHAIRMAN NICOLELLO: I'm going to
24 call all of the items, 304, 305, 306, 307,
25 308, 309, 310, 311, 312, 313, 322, 323, 324,

1 Finance Committee/7-29-13
2 and 325. All those in favor signify by
3 saying aye.

4 (Aye.)

5 Those opposed?

6 (No verbal response.)

7 Those items carry unanimously.

8 LEGISLATOR WALKER: So moved.

9 LEGISLATOR VENDITTO: Second.

10 CHAIRMAN NICOLELLO: Motion by
11 Rose Walker to adjourn, seconded by
12 Legislator Venditto. All those in favor
13 signify by saying aye.

14 (Aye.)

15 The committee is adjourned.

16 Rules is next.

17 (Whereupon, the Finance Committee
18 adjourned at 5:51 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 stated:

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 _____ day of _____, 2013.

FRANK GRAY