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NASSAU COUNTY LEGISLATURE

NORMA GONSALVES,  
Presiding Officer

FINANCE COMMITTEE

RICHARD NICOLELLO, Chairman

1550 Franklin Avenue  
Mineola, New York

Monday, December 3, 2012  
1:55 P.M

REGAL REPORTING SERVICE  
(516) 747-7353

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

RICHARD NICOLELLO ,  
Chairman

VINCENT MUSCARELLA (Substituted by  
Vice-Chairman Dennis Dunne)

ROSE MARIE WALKER

DAVID DENENBERG ,  
Ranking

JUDI BOSWORTH

DELIA DeRIGGI-WHITTON

WILLIAM J. MULLER, III  
Clerk of the Legislature

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1 Finance Committee/12-3-12

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:  
8 Here.

9 CLERK MULLER: Legislator  
10 Bosworth?

11 LEGISLATOR BOSWORTH: Here.

12 CLERK MULLER: Ranking Member  
13 Denenberg?

14 LEGISLATOR DENENBERG: Here.

15 CLERK MULLER: Legislator  
16 Venditto?

17 LEGISLATOR VENDITTO: Here.

18 CLERK MULLER: Legislator Walker?

19 LEGISLATOR WALKER: Here.

20 CLERK MULLER: Legislator Dunne  
21 substituting for Legislator Muscarella?

22 LEGISLATOR DUNNE: Here.

23 CLERK MULLER: And Chairman  
24 Nicoletto?

25 CHAIRMAN NICOLELLO: Here.

1 Finance Committee/12-3-12

2 CLERK MULLER: We have a quorum.

3 CHAIRMAN NICOLELLO: Thank you.

4 We have a quorum. Item 671 of 2012 is a  
5 resolution to authorize a transfer of  
6 appropriations heretofore made within the  
7 budget year 2012.

8 LEGISLATOR DUNNE: So moved.

9 LEGISLATOR WALKER: Second.

10 CHAIRMAN NICOLELLO: Moved by  
11 Legislator Dunne, seconded by Legislator  
12 Walker. Do we have any questions?

13 (No verbal response.)

14 Is there any public comment?

15 (No verbal response.)

16 All those in favor signify by  
17 saying aye.

18 (Aye.)

19 Any opposed?

20 (No verbal response.)

21 The item carries unanimously.

22 Item 672 of 2012 is an ordinance  
23 supplemental to the annual appropriations  
24 ordinance in connection with the Office of  
25 the Medical Examiner.

1 Finance Committee/12-3-12

2 LEGISLATOR DUNNE: So moved.

3 LEGISLATOR VENDITTO: Second.

4 CHAIRMAN NICOLELLO: Moved by

5 Legislator Dunne, seconded by Legislator

6 Venditto. Do we have any questions?

7 (No verbal response.)

8 Is there any public comment?

9 (No verbal response.)

10 All those in favor signify by

11 saying aye.

12 (Aye.)

13 Any opposed?

14 (No verbal response.)

15 That item carries unanimously.

16 The next three item are 676, 677, and 678 of

17 2012. They are resolutions authorizing the

18 assessor of the County of Nassau to extend

19 on the annual assessment roll of the County

20 of Nassau for the year 2013 for the town of

21 Hempstead and the town of Oyster Bay,

22 amounts assessed by the town boards of both

23 for survey and demolition costs, et cetera.

24 There's one other item. I will

25 call that too. It's a resolution

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1                   Finance Committee/12-3-12  
2     authorizing the assessor of the County of  
3     Nassau to extent on the annual assessment  
4     roll of Nassau County for the Town of Oyster  
5     Bay amounts assessed by the town board of  
6     the Town of Oyster Bay for construction or  
7     reconstruction of sidewalks.

8                   LEGISLATOR WALKER:    So moved.

9                   LEGISLATOR DUNNE:    Second.

10                  CHAIRMAN NICOLELLO:    Moved by  
11     Legislator Walker, seconded by Legislator  
12     Dunne.   Mr. May, is there someone to speak  
13     on these?

14                  MR. MAY:    We have Dan Valentino  
15     from the assessment office.

16                  MR. VALENTINO:    Good afternoon.  
17     I'm the deputy county attorney assigned to  
18     the Department of Assessment.   These three  
19     items all concern direct assessments.   These  
20     are instances where the town has cleaned up  
21     on the community and they offer the property  
22     owner the chance to pay the repairs  
23     themselves, or have the town do it.   If the  
24     town did it, they would ultimately be  
25     responsible for paying the costs of the



1 Finance Committee/12-3-12  
2 repairs. In these instances, these property  
3 owners haven't paid the costs of the repairs  
4 so now they're putting us as direct  
5 assessment on the property tax bill so they  
6 can collect.

7 CHAIRMAN NICOLELLO: This is for  
8 2013?

9 MR. VALENTINO: 2013, correct.

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

12 LEGISLATOR DENENBERG: The  
13 assessment for each of these towns, or the  
14 assessed value was done by your office,  
15 correct, and then the towns take that  
16 assessed value to send out their tax bills,  
17 correct?

18 MR. VALENTINO: With these  
19 specific items, it has nothing to do with  
20 the assessed value. These are just the  
21 costs of the cleanup.

22 LEGISLATOR DENENBERG: Why do we  
23 have to do something for the town to put as  
24 a town tax item, I would guess, a cost --  
25 when you say "clean up," you probably mean

1 Finance Committee/12-3-12  
2 the cost of a removal of a curbside tree,  
3 right?

4 MR. VALENTINO: Correct.

5 LEGISLATOR DENENBERG: So why  
6 does the assessor's office have to do  
7 something for each of the towns in order for  
8 the towns to be able to charge people for  
9 not reimbursing the town for removing a  
10 curbside tree, which I assume is what we're  
11 doing here, right?

12 MR. VALENTINO: Well, it's the  
13 mechanism to collect. We're putting it on  
14 the general consolidated taxes in 2013  
15 where, if they don't pay then it becomes a  
16 lien on the property. So it's a mechanism  
17 to allow the town to collect the money that  
18 they've put forth in the cleanup.

19 LEGISLATOR DENENBERG: Is this by  
20 an agreement with the town that we have an  
21 agreement with the town so that we can put  
22 it as an assessed cost so that it can be a  
23 lien?

24 MR. VALENTINO: I believe it's  
25 pursuant to the Real Property Tax Law. It

1 Finance Committee/12-3-12  
2 may be pursuant to an agreement with the  
3 town. But this has been done year after  
4 year.

5 LEGISLATOR DENENBERG: I just  
6 don't recall seeing it before, but it makes  
7 sense.

8 MR. VALENTINO: It was done last  
9 year and the year before.

10 CHAIRMAN NICOLELLO: All right.  
11 Legislator Walker had asked to ask a  
12 question. Go ahead.

13 LEGISLATOR WALKER: And this  
14 isn't just for removal of a curb side tree.  
15 This is for houses that perhaps have been in  
16 such disrepair that you have residents  
17 constantly complaining.

18 I know there is -- I've been  
19 involved with houses that are in the Town of  
20 Hempstead, Town of Oyster Bay. The Town --  
21 because the property --

22 LEGISLATOR DENENBERG: Now I'm  
23 confused because it's an extra cost. Now  
24 I'm going to ask you. If it's condemned,  
25 there's no -- or bad repair, there's no

1 Finance Committee/12-3-12  
2 extra cost. This would be like, let's say,  
3 your curb or your tree is in bad shape and  
4 the town does the work. Then they have to  
5 charge you.

6 LEGISLATOR WALKER: Not  
7 necessarily. And I'm going to give you an  
8 example. There's a home not far from my  
9 house where the owner of the home murdered  
10 his wife, fled the country, his house has  
11 been abandoned, okay? It's bad enough that  
12 the people in the neighborhood had to deal  
13 with, you know, all the police  
14 investigations and so on and so forth, but  
15 then the house obviously became in total  
16 disrepair. I mean, the grass was growing  
17 all over, the bushes growing all over. I  
18 mean, it's a total mess.

19 If you rode past it now, it looks  
20 fine because you don't see inside which is  
21 also a mess, but the town came and cleaned  
22 up the property, really, to help the rest of  
23 the residents who live in the area so that  
24 it doesn't look totally disgusting and  
25 horrible, especially if someone might be

1 Finance Committee/12-3-12  
2 looking to sell their home and you have this  
3 home next to you that is in disrepair.

4 So, obviously, the owner, which  
5 is no longer around, who ever owns the  
6 home now, it falls back, it becomes a lien  
7 on their taxes. When that house is  
8 eventually sold, it's going to be paid for,  
9 you know, I mean, the money will come to the  
10 county for -- or to the town. But it comes  
11 through the county to the town.

12 CHAIRMAN NICOLELLO: Mr.  
13 Valentino's point here is simply that in  
14 order for the towns to collect that money,  
15 we have to do this today?

16 MR. VALENTINO: Agreed, yes.

17 LEGISLATOR WALKER: Yes. And  
18 it's something we've done for years and  
19 years.

20 CHAIRMAN NICOLELLO: Legislator  
21 Dunne.

22 LEGISLATOR DUNNE: I get quite  
23 often, landlords, people that own two or  
24 three houses in my community and they don't  
25 care about the house. The people don't care

1 Finance Committee/12-3-12  
2 about it either, they don't own it so they  
3 let the grass grow and -- so the  
4 neighborhood calls the Town of Hempstead.  
5 The Town of Hempstead will go and mow the  
6 lawn and bill them what, 200 bucks for  
7 mowing the lawn for one time, and then, if  
8 they don't pay it, it gets added to their  
9 tax bill. So that's the way it's been.

10 LEGISLATOR DENENBERG: Actually,  
11 Dennis, what Legislator Walker said I would  
12 agree with. What you just said, if there's  
13 a landlord who owns these buildings and he's  
14 keeping them in disrepair, he should get a  
15 violation, and the town should collect a  
16 fine.

17 What Legislator Walker was  
18 talking about, was where whoever owns it is  
19 indigent or gone so the town has to pick up  
20 the cost.

21 LEGISLATOR DUNNE: It encompasses  
22 everything like this.

23 CHAIRMAN NICOLELLO: Legislator  
24 Bosworth also had a question. Thank you.

25 LEGISLATOR BOSWORTH: I see this

1 Finance Committee/12-3-12  
2 as a courtesy that's being extended to  
3 Oyster Bay and the Town of Hempstead. Is  
4 there a reason that the Town of North  
5 Hempstead is not included on this  
6 today?LEGISLATOR BOSWORTH:

7 MR. VALENTINO: I guess they  
8 don't have any items before. They didn't  
9 pass any resolutions where they had these --

10 LEGISLATOR DENENBERG: Is it a  
11 mistake, that 677 is 678, aren't both  
12 supposed to be Oyster Bay? Should one of  
13 them be North Hempstead?

14 MR. VALENTINO: I don't believe  
15 there's anything with North Hempstead on  
16 here. I only see, as you see, what --

17 LEGISLATOR BOSWORTH: So it's as  
18 something occurs then it would come before  
19 us for that?

20 MR. VALENTINO: Correct.

21 LEGISLATOR BOSWORTH: Thanks so  
22 much.

23 CHAIRMAN NICOLELLO: Legislator  
24 Denenberg.

25 LEGISLATOR DENENBERG: So if I'm

1 Finance Committee/12-3-12  
2 reading the items and I certainly understand  
3 what Legislator Walker was talking about,  
4 Item 678 where it says for construction or  
5 reconstruction of sidewalks, that would be  
6 for the construction or reconstruction of  
7 sidewalks adjacent to a home where the town  
8 may have done it and it wants to then charge  
9 back to the adjacent homeowner, correct?

10 MR. VALENTINO: Correct. The  
11 homeowner is responsible for the sidewalks.

12 LEGISLATOR DENENBERG: That  
13 wouldn't be for anything else except  
14 sidewalks, correct?

15 MR. VALENTINO: I beg your  
16 pardon. Can you please repeat that?

17 LEGISLATOR DENENBERG: That would  
18 be for sidewalks, correct? It's saying what  
19 the item is.

20 MR. VALENTINO: Correct. We have  
21 separate resolutions dealing with sidewalk  
22 clean up, and there's separate provisions  
23 with the towns. I know the Town of  
24 Hempstead allows a five year repayment plan.

25 LEGISLATOR DENENBERG: Then the



1 Finance Committee/12-3-12  
2 item, demolition securing unsafe premises or  
3 clearing costs would be along the lines of  
4 what Legislator Walker talked about, or  
5 removing trees or cutting lawns?

6 MR. VALENTINO: Correct.

7 LEGISLATOR DENENBERG: Okay. And  
8 that's the same one for the Town of  
9 Hempstead. Thank you.

10 CHAIRMAN NICOLELLO: Legislator  
11 Walker.

12 LEGISLATOR WALKER: I just do  
13 have to comment in the fact that, when I  
14 first served on the Oyster Bay Town Board,  
15 very rarely did we get that brought before  
16 us about homes. You didn't get calls about  
17 them. But as my time went on there, I mean,  
18 I only served on that board for six years,  
19 but we started becoming much more involved  
20 with doing those severe cleanups in areas,  
21 and sometimes, Legislator Denenberg, it  
22 could be that the person maybe is just very  
23 very old and they just leave it go and go  
24 and go, and, you know, they're not capable  
25 themselves, and eventually the town does go

1 Finance Committee/12-3-12  
2 in and does a clean up and whatever.

3 I'm sure that every town has the  
4 availability to do it. I guess north  
5 Hempstead just --

6 LEGISLATOR DENENBERG: I've  
7 actually heard people in Hempstead and my  
8 district at times when they removed it, or  
9 the town had a removal that the town cost  
10 the same and they rather it go on their  
11 taxes where at least they think they're  
12 getting a tax deduction. I don't even know.  
13 I can appreciate that we have to do this so  
14 the town can recoup their costs.

15 CHAIRMAN NICOLELLO: Do we have  
16 any other comments?

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 Those three items carry

1 Finance Committee/12-3-12  
2 unanimately. Item 679 of 2012 is a  
3 resolution to include in the proceedings of  
4 the Nassau County Legislature a statement of  
5 the total assessed valuations of the  
6 property situated in the county, the three  
7 towns, the two cities, the villages within  
8 the county of Nassau and the special  
9 districts.

10 LEGISLATOR WALKER: So moved.

11 LEGISLATOR DUNNE: Second.

12 CHAIRMAN NICOLELLO: Moved by  
13 Legislator Walker, seconded by Legislator  
14 Dunne. Mr. Valentino, just briefly what's  
15 this?

16 MR. VALENTINO: This is Item 679.  
17 This deals with the 2013 tax roll at the  
18 assessed valuations as they appear on that  
19 roll and allows them to extend on those  
20 assessed values.

21 CHAIRMAN NICOLELLO: Any other  
22 questions?

23 LEGISLATOR DENENBERG: I have a  
24 question.

25 CHAIRMAN NICOLELLO: Legislator

1 Finance Committee/12-3-12  
2 Denenberg.

3 LEGISLATOR DENENBERG: Is this --  
4 when you say the 2013 tax roll, this would  
5 be the valuation that was final as of April  
6 1st, 2012?

7 MR. VALENTINO: Correct.

8 LEGISLATOR DENENBERG: So it  
9 would include all the tax certs that were  
10 settled before April 1st, 2012?

11 MR. VALENTINO: Depends on when  
12 those tax certs reached over to the  
13 assessment department.

14 LEGISLATOR DENENBERG: I said  
15 they were settled before April 1st, 2012.

16 MR. VALENTINO: In most  
17 circumstances, yes.

18 LEGISLATOR DENENBERG: Okay.  
19 March 8, 2012, how's that?

20 MR. VALENTINO: In most  
21 circumstances, yes.

22 LEGISLATOR DENENBERG: So this  
23 would be -- this would include the roll that  
24 according to the assessor's office and the  
25 county executive's office, had all those

1 Finance Committee/12-3-12  
2 items that were settled I guess that year,  
3 meaning earlier, earlier calendar year this  
4 year, but the challenges that were filed in  
5 January and February, that were settled by  
6 in house or an outside consultant this year?

7 MR. VALENTINO: They were settled  
8 in house this year. We tried to settle  
9 as many as we can with ARC and then the  
10 remaining cases then went to SCAR.

11 LEGISLATOR DENENBERG: But the  
12 cases that were settled, I have, based on  
13 the information I've been able to get, which  
14 has been, not total, 90 percent of those who  
15 challenged were successful with ARC.

16 MR. VALENTINO: You're going to  
17 have to contact the assessment review  
18 commission with respect to that.

19 LEGISLATOR DENENBERG: That's  
20 what they said. They said 90 percent were  
21 successful. I, for one, who didn't  
22 challenge, just saw a \$1,200 a year school  
23 tax increase.

24 MR. VALENTINO: That might also  
25 be dependent upon your school's budget.

1 Finance Committee/12-3-12

2 LEGISLATOR DENENBERG: No. See,  
3 there was this thing passed in the state at  
4 two percent cap. My school district stayed  
5 within the two percent cap which would have  
6 given me a 200, about averaging up,  
7 actually, a \$200 increase, but the fact that  
8 my assessment stayed the same but a third of  
9 people challenged and saw whopping  
10 reductions, my taxes went up, a lot.

11 MR. VALENTINO: There is a common  
12 misconception that the two percent cap means  
13 a two percent hard cap on your tax bill.  
14 It's a two percent cap on the budget. There  
15 are other things that factor into your tax  
16 bill. It depends on how many property  
17 owners within that district have an  
18 exemption. It may be -- if you're school's  
19 budget went up by two percent, your taxes  
20 will go up. It's all contingent upon the  
21 assessed value.

22 LEGISLATOR DENENBERG: Wouldn't  
23 it also matter whether everyone else in my  
24 district saw their -- whether others in my  
25 district saw their assessments go down while

1 Finance Committee/12-3-12

2 mine was, let's say, frozen?

3 MR. VALENTINO: The two are  
4 correlated but there's no causation. It's  
5 not just because they went down, yours is  
6 going to go up. There are other factors  
7 that come into play.

8 LEGISLATOR DENENBERG: Are you  
9 saying that if this whole room, or let's  
10 just say yourself, Legislator DeRiggi,  
11 Legislator Bosworth and me, we're the, say,  
12 Bellmore school district, if you're frozen  
13 and us three went down, you don't think that  
14 your taxes, you wouldn't realize a tax  
15 increase?

16 MR. VALENTINO: It depends. What  
17 happened with the school district's budget?

18 LEGISLATOR DENENBERG: Let's say  
19 it stayed the same, exactly the same.

20 MR. VALENTINO: Did they receive  
21 any exemptions, can you qualify for any  
22 exemptions?

23 LEGISLATOR DENENBERG: Same  
24 exemptions as last year. Us three went  
25 down, you stayed the same in terms of

1 Finance Committee/12-3-12  
2 assessment.

3 MR. VALENTINO: In that simple  
4 example, you have four owners who all  
5 receive reductions and you remain the same,  
6 no other factors at play, nothing else going  
7 on, your taxes will go up.

8 LEGISLATOR DENENBERG: Okay. And  
9 let's say --

10 MR. VALENTINO: And there's also  
11 a lot of things we're assuming there.

12 LEGISLATOR DENENBERG: Well, if a  
13 third of the people saw their taxes go down,  
14 the other 2/3rds that didn't challenge, you  
15 don't think they're going to see their taxes  
16 go up?

17 MR. VALENTINO: It depends on  
18 what's going on within the area. There are  
19 more property owners who could have received  
20 an exemption -- especially in a down  
21 economy, you have people qualifying for  
22 income based exemptions, so when you receive  
23 an exemption, there's less taxable assessed  
24 value, it affects everybody.

25 LEGISLATOR DENENBERG: That



1 Finance Committee/12-3-12  
2 happens every year.

3 CHAIRMAN NICOLELLO: Do you have  
4 any other questions?

5 LEGISLATOR DENENBERG: I would  
6 beg you guys that what took place last year  
7 was 2/3rds of the people saw a tax increase  
8 because of a policy of simply giving anyone  
9 who challenges a reduction, whether they  
10 were substantively entitled to one or not.  
11 That the effect is 2/3rds of the people see  
12 a tax increase.

13 CHAIRMAN NICOLELLO: Legislator  
14 DeRiggi-Whitton.

15 LEGISLATOR DeRIGGI-WHITTON: Just  
16 with regard to Sandy, have you had any  
17 thought as to what's going to happen with  
18 all these homes that have been destroyed in  
19 the storm as far as their assessment goes?

20 MR. VALENTINO: Unfortunately,  
21 for the '12, '13 tax year, the taxable  
22 status date is January 2nd, 2011. So it  
23 goes in the property's use and condition on  
24 that date. And for most of those homes were  
25 intact on that date. So the '12, '13 year

1 Finance Committee/12-3-12  
2 won't be affected. The '13, '14, there's a  
3 provision in the admin code that allows  
4 assessment to go out and take a look and  
5 survey the damage if the homeowner contacts  
6 the department of assessment.

7 LEGISLATOR DeRIGGI-WHITTON: So  
8 there's a good possibility I believe over  
9 300,000 homes have been destroyed, correct,  
10 or close to that?

11 MR. VALENTINO: 300,000 I think  
12 is a little on the high end.

13 LEGISLATOR DeRIGGI-WHITTON:  
14 Well, I forget the exact number. But the  
15 number's significant. So as the assessment  
16 goes, that's going to have to be considered  
17 for the next budget, correct?

18 MR. VALENTINO: For the next  
19 year's levy and the next year's tax warrant,  
20 yes.

21 LEGISLATOR DeRIGGI-WHITTON: I  
22 did hear it was close to that number. I  
23 don't know. But that's going to have a real  
24 impact, I would assume, so I would hope that  
25 we get a lot of information out to those

1 Finance Committee/12-3-12  
2 people that are going to need it.

3 CHAIRMAN NICOLELLO: Legislator  
4 Denenberg has a question on the item.

5 LEGISLATOR DENENBERG: Yes. On  
6 April 1st, 2014, the current tentative roll  
7 will be finalized, correct?

8 MR. VALENTINO: 2013. You said  
9 2014.

10 LEGISLATOR DENENBERG: I'm sorry,  
11 April 1st, 2013.

12 MR. VALENTINO: It gets confusing  
13 with the dates.

14 LEGISLATOR DENENBERG: So the  
15 roll for April 1st, 2013 was, if anyone  
16 wanted to challenge it, it should have been  
17 in January, February 2012. But Sandy  
18 occurred as Legislator DeRiggi-Whitton just  
19 said, can the assessor's office consider  
20 property value lost due to Hurricane Sandy,  
21 whether people challenge or not before April  
22 1st, 2013?

23 MR. VALENTINO: Yes, they can.  
24 Regardless of whether they challenge, there  
25 is a provision in the admin code that allows

1 Finance Committee/12-3-12  
2 for destruction between taxable status  
3 dates. So the taxable status date for '13,  
4 '14 was January 2nd, 2012.

5 Now if your property was  
6 destroyed pursuant to fire, demolition or a  
7 natural disaster, it would be pushed up to  
8 taxable status date to January 2nd, 2013.  
9 All the homeowner would have to do is  
10 contact the department of assessment and  
11 then we would have to go out and survey the  
12 damage and see if a reduction in the  
13 assessed value is warranted.

14 LEGISLATOR DENENBERG: See,  
15 what's interesting about that is, you just  
16 said, all the homeowner has to do. I would  
17 beg you that there's facts and  
18 circumstances, the code you just talked  
19 about, the provision of the law you just  
20 talked about would say if you have -- if  
21 you, the assessor, has facts and  
22 circumstances or knowledge that would lead  
23 you to believe that the value has fallen  
24 down.

25 Now, in the case of a fire, you

1 Finance Committee/12-3-12  
2 might not have that knowledge. In the case  
3 of some loss that, like, an explosion or  
4 something happened to a property that's  
5 unique, you wouldn't necessarily know.

6 But, here, the natural disaster  
7 affected so many areas that, you know, to  
8 wait for people to call you would seem like,  
9 you know, we don't need to do that here.

10 I mean, we'll all tell our  
11 constituents, please call you, but the first  
12 time any of us up here have heard that our  
13 constituents need to you to call you is just  
14 now.

15 MR. VALENTINO: Well, there is  
16 the provision in the admin code is Nassau  
17 County Administrative Code Section 24-1,  
18 paragraph C, where it says that the  
19 homeowner has to contact the Department of  
20 Assessment. Now it's hard for the  
21 Department of Assessment to know if a  
22 property is destroyed unless they receive a  
23 phone call.

24 As Legislator DeRiggi-Whitton  
25 just noted, she said 300,000 homes were

1 Finance Committee/12-3-12  
2 destroyed. It's hard for the department of  
3 assessment to pin down and know which houses  
4 to go and survey unless we receive a call or  
5 notification, hey, my property was  
6 destroyed, can you come take a look?

7 CHAIRMAN NICOLELLO: Thank you  
8 very much. That was very information.  
9 Let's consider this item that's before us.  
10 We'll ask the Department of Assessment and  
11 the administration to do some outreach.

12 We also have budgets for mailings  
13 so we can do some as well. I think it would  
14 be wise for elected officials to do that.

15 Anyway, on the item, any public  
16 comment?

17 (No verbal response.)

18 Hearing none, all those in favor  
19 signify by saying aye.

20 (Aye.)

21 Any opposed?

22 (Nay.)

23 The item passes four to three.  
24 Thank you. Item 680, 681, 682, 683, 684 and  
25 685. 680 is a resolution to fix the time

1 Finance Committee/12-3-12  
2 and date on which the consolidated tax  
3 warrants shall be issued to the town and  
4 city tax receivers for the collection of  
5 taxes.

6 681 through 685 are similar to  
7 the resolutions we adopted earlier, to  
8 authorize the assessor of the county of  
9 Nassau to extend on the annual assessment  
10 roll of the County of Nassau for the year  
11 2013 for the Town of Hempstead, amounts  
12 assessed by the Town Board of the Town of  
13 Hempstead for construction or reconstruction  
14 of sidewalks.

15 LEGISLATOR DUNNE: So moved.

16 LEGISLATOR WALKER: Second.

17 CHAIRMAN NICOLELLO: Moved by  
18 Legislator Dunne, seconded by Legislator  
19 Walker. Do we have any discussion on these  
20 items? Legislator DeRiggi-Whitton.

21 LEGISLATOR DeRIGGI-WHITTON:  
22 Thank you. On 680-12, do you have a date in  
23 mind for that?

24 MR. VALENTINO: This is just the  
25 warrant that gets annexed to the general

1 Finance Committee/12-3-12  
2 roll that allows the receiver of taxes to  
3 collect the taxes that have been extended on  
4 that property.

5 LEGISLATOR DeRIGGI-WHITTON:  
6 Right, but do you have any idea?

7 MR. VALENTINO: It's the third  
8 Monday in December. That's in the admin  
9 code.

10 LEGISLATOR DeRIGGI-WHITTON:  
11 Okay. Thank you.

12 CHAIRMAN NICOLELLO: Any further  
13 questions?

14 (No verbal response.)

15 Is there any public comment?

16 (No verbal response.)

17 All those in favor of passing  
18 these items, signify by saying aye.

19 (Aye.)

20 Any opposed?

21 (No verbal response.)

22 Carries unanimously. I'm going  
23 to jump around a little bit since up there,  
24 Mr. Valentino. I'm going to call the next  
25 item, 694, 695, 696, 697 of 2012. These are



1 Finance Committee/12-3-12  
2 all resolutions to authorize the county  
3 assessor and/or the county treasurer and/or  
4 the receiver of taxes of the towns of  
5 Hempstead and North Hempstead and Oyster Bay  
6 and the City of Long Beach to partially  
7 exempt from real property taxation certain  
8 real property situated in various school  
9 districts.

10 LEGISLATOR DUNNE: So moved.

11 LEGISLATOR VENDITTO: Second.

12 CHAIRMAN NICOLELLO: Moved by  
13 Legislator Dunne, seconded by Legislator  
14 Venditto. The item is before the committee.  
15 I understand we asked you, the Department of  
16 Assessment, for a legal opinion with respect  
17 to these items did you want to discuss that  
18 now?

19 MR. VALENTINO: That's correct.  
20 The issue was the STAR exemption and whether  
21 Nassau County could be reimbursed for the  
22 STAR exemption. It's ultimately the school  
23 districts that are responsible for seeking  
24 reimbursement. Nassau County is supposed to  
25 pay out the refund in the first instance,

1 Finance Committee/12-3-12

2 assuming the petition is passed.

3 Then the school district is then  
4 supposed to budget for it in its next budget  
5 hearings, and then Nassau County is supposed  
6 to send the school district the bill to  
7 collect the amount that was charged back.

8 CHAIRMAN NICOLELLO: Just give me  
9 the sequence again. When does Nassau County  
10 send a bill, at what point does the county  
11 bill the school districts?

12 MR. VALENTINO: It's going to be  
13 up to the treasurer but it would be sometime  
14 after the receiver of taxes starts paying  
15 out the amounts that they're receiving to  
16 the school districts.

17 CHAIRMAN NICOLELLO: So this  
18 mechanism is in place in the real property  
19 tax law?

20 MR. VALENTINO: That's correct.

21 CHAIRMAN NICOLELLO: Has the  
22 county been doing this?

23 MR. VALENTINO: Not yet. The  
24 county was going to do it in conjunction  
25 with the repeal of the county guaranty. We

1 Finance Committee/12-3-12  
2 didn't want to hit the school districts up  
3 in the middle of the year and say, hey, you  
4 now owe us for these. It was going to be  
5 done in conjunction with the repeal of the  
6 county guaranty to allow it to all be done  
7 at once. We don't want the school district  
8 to have a shortfall.

9 CHAIRMAN NICOLELLO: Once the  
10 correction is made, then how does the school  
11 district get notice that there's been a  
12 correction?

13 MR. VALENTINO: The county is  
14 ultimately going to have to send a bill out  
15 and notify them to increase their budget  
16 next year pursuant to the correction error  
17 that was approved and whatever their pro  
18 rata share of that refund is, they would be  
19 notified and they would have to budget for  
20 it accordingly.

21 CHAIRMAN NICOLELLO: So then they  
22 budget for it, but they also have the  
23 ability to gain a refund from the state of  
24 New York for the amount of the correction?

25 MR. VALENTINO: For the STAR

1 Finance Committee/12-3-12  
2 exemption, yes. They send it directly to  
3 the Office of Real Property Tax Services,  
4 and for each amount that was attributable to  
5 an error that was committed with respect to  
6 the STAR exemption and then they receive  
7 reimbursement from the state.

8 CHAIRMAN NICOLELLO: Do they have  
9 to send it out after they pay it or can they  
10 send it out once the bill is sent to them?

11 MR. VALENTINO: I'm not entirely  
12 sure on the mechanism of how the school  
13 districts seek the reimbursement. There was  
14 an addendum that was included with the  
15 opinion that explained the process that the  
16 school district has to go through to get the  
17 reimbursement. So I would imagine the  
18 financial officer for the school district  
19 would have to keep abreast and of whatever  
20 changing laws there are and however it is  
21 supposed to be implemented.

22 CHAIRMAN NICOLELLO: When is the  
23 county going to start doing this, sending  
24 the letters out to the school districts?

25 MR. VALENTINO: They're trying to

1 Finance Committee/12-3-12  
2 coordinate and figure out what the ADAP  
3 system and with the tax certiorari refunds  
4 how they're going to bill the school  
5 districts. I'm not sure if there's anything  
6 currently in place, but I know that they're  
7 working towards a solution and we should  
8 have something soon.

9 CHAIRMAN NICOLELLO: Will the  
10 school districts have the ability to then, I  
11 don't know if the word is participate, but  
12 be involved before the corrections are made  
13 and say --

14 MR. VALENTINO: It would be  
15 before the legislature here. They would  
16 have to appear and tell you -- put their two  
17 cents in as to whether they think the  
18 correction of error petition should be  
19 approved or denied. Once the legislature  
20 approves, they're responsible for the pro  
21 rata share of the refund.

22 CHAIRMAN NICOLELLO: Pro rata  
23 share, you mean only their share?

24 MR. VALENTINO: Their share,  
25 correct.

1 Finance Committee/12-3-12

2 CHAIRMAN NICOLELLO: But  
3 ultimately, according to state law, they're  
4 supposed to be made whole in the end?

5 MR. VALENTINO: If it's the STAR  
6 exemption, yes.

7 CHAIRMAN NICOLELLO: So the  
8 school districts, assuming that they paid to  
9 the county, will be made whole by the state?

10 MR. VALENTINO: Correct.

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

13 LEGISLATOR DENENBERG: I question  
14 this, I guess a few months ago at this  
15 point, and then I appreciate the opinion  
16 that came back. But I still note, despite  
17 the questions by Legislator Nicolello, I  
18 still don't -- help me understand the step  
19 by step on this. In a regular STAR --

20 CHAIRMAN NICOLELLO: Didn't we  
21 just do this?

22 LEGISLATOR DENENBERG: I still  
23 don't get it.

24 CHAIRMAN NICOLELLO: Do like to  
25 hear yourself, what the heck? I just went

1 Finance Committee/12-3-12  
2 through it.

3 LEGISLATOR DENENBERG: This was  
4 very easy and you wanted to vote on it two  
5 months ago. I understand. Now we're  
6 finding out that it's not that easy and  
7 we're going to send letters charging the  
8 schools.

9 CHAIRMAN NICOLELLO: We're not  
10 going to reiterate step by step. Ask him  
11 some questions. If you would just listen to  
12 what we're doing, we wouldn't have to --

13 LEGISLATOR DENENBERG: So this is  
14 correct mistakes that were made by the  
15 county with the STAR exemptions or by the  
16 state --

17 MR. VALENTINO: Some were made by  
18 the state. As you know, there was a new  
19 income ceiling placed on the STAR exemption  
20 for all property owners. All property  
21 owners who primarily reside on their  
22 property, their income cannot exceed half a  
23 \$1,000,000. If it does, they're no longer  
24 entitled to the exemption.

25 The problem assessment had was,

1 Finance Committee/12-3-12  
2 some of the properties were indeed  
3 underneath that ceiling and they were  
4 entitled to the exemption. So the state  
5 committed an error.

6 We then go through the correction  
7 of error process and the homeowner receives  
8 the STAR exemption and the state picks up  
9 the bill.

10 LEGISLATOR DENENBERG: Okay. So  
11 we're okaying the county paying it until the  
12 state pays us back?

13 MR. VALENTINO: We okay it. We  
14 pay it out in the first instance and then we  
15 bill it out to the school district the  
16 following year. The school district then  
17 pays us back and the school district seeks  
18 reimbursement from the state. That's the  
19 way the law is drafted and that's --

20 LEGISLATOR DENENBERG: And how  
21 come we've never done this before?

22 MR. VALENTINO: There is another  
23 provision in the admin code, a correction of  
24 error provision, and correction of errors  
25 were handled pursuant to that, Section 559



1 Finance Committee/12-3-12  
2 of RPTL preempts that provision, and we  
3 didn't know definitively until a decision  
4 was handed down in 2010 in the Town of North  
5 Hempstead versus Nassau County case, and  
6 that case wasn't finally appealed -- settled  
7 until 2011.

8 So we are going to do that in  
9 conjunction with the repeal of the county  
10 guaranty and tax certiorari refunds. This  
11 way we can let the school districts know all  
12 at once and say, hey, be prepared. You're  
13 going to now be responsible for your pro  
14 rata share of the refund and budget  
15 accordingly.

16 LEGISLATOR DENENBERG: So we're  
17 going to tell the school at the same time  
18 that they have to handle the refunds and  
19 they also have to pay us for any SCAR that  
20 didn't come in on time because of a mistake?  
21 I'm sorry, not a SCAR, a STAR reduction that  
22 didn't come in last year because of a  
23 mistake?

24 MR. VALENTINO: Well, they can  
25 seek reimbursement from the state for the

1 Finance Committee/12-3-12

2 STAR exemption.

3 LEGISLATOR DENENBERG: And we  
4 can't?

5 MR. VALENTINO: We can't.

6 LEGISLATOR DENENBERG: Right.  
7 But it was our mistake that may have caused  
8 it?

9 MR. VALENTINO: It was not our  
10 mistake. It was the state's mistake in  
11 sending us the properties and saying that  
12 according to the tax returns they filed, it  
13 was over the \$500,000 ceiling. And, in some  
14 instances, for some reason they imputed  
15 income to the new owner.

16 When the new owner purchased the  
17 house, the state imputed the sale price of  
18 the house to the new owner and that put the  
19 new owner over.

20 The new owner comes in and says I  
21 have my tax returns that were filed, I'm  
22 clearly underneath it. We do a correction  
23 of error petition. It's approved by the  
24 leg, assuming it's approved. The leg then  
25 pays out the refund, bills it out to the

1 Finance Committee/12-3-12  
2 school districts. The school district, you  
3 have to budget next year to pay us back for  
4 the refund we just paid.

5 The school district then pays us  
6 back once we send them a bill and they can  
7 seek reimbursement from the state.

8 LEGISLATOR DENENBERG: If the  
9 state determined -- only the state  
10 determines that someone was over the 500,000  
11 because, if you look at the law, that's  
12 based on their return, their income tax  
13 return. So the state would decide that  
14 someone's over 500,000 and doesn't qualify  
15 for STAR.

16 If someone says the state then  
17 made that mistake, you're saying that the  
18 county has to then pay that money?

19 MR. VALENTINO: That's correct.  
20 But the county bills it out to the school  
21 district who reimburses the county and then  
22 the school district gets reimbursed from the  
23 state.

24 LEGISLATOR DENENBERG: Maybe.  
25 Maybe. And I don't even see it in the state

1 Finance Committee/12-3-12  
2 law why the county would have to lay out the  
3 money. You're saying that in Suffolk the  
4 towns have to lay out the money?

5 MR. VALENTINO: It's in RPTL,  
6 Section 556. I referred to it I believe in  
7 the opinion. I believe it's Subsection 5,  
8 paragraph B.

9 LEGISLATOR DENENBERG: So are you  
10 telling me in other areas like Suffolk,  
11 right next door, the towns would have to pay  
12 for the State's mistake?

13 MR. VALENTINO: That's correct.  
14 That's how it's administered in the rest of  
15 the state.

16 LEGISLATOR DENENBERG: I  
17 disagree, but okay.

18 CHAIRMAN NICOLELLO: Legislator  
19 Bosworth.

20 LEGISLATOR BOSWORTH: So as  
21 you're talking about all these things, what  
22 I'm hearing is, shift, shift, shift.

23 So it would seem we've eliminated  
24 the county guaranty, so that is shifted to  
25 the school district.

1 Finance Committee/12-3-12

2 Now we're talking about this  
3 error in STAR. It's easy to say that's  
4 shifted to the school district, but the  
5 school district actually has that expense to  
6 pay. They're going to have to hire  
7 administrators to administer this.

8 It's a whole other level that  
9 we're asking our school districts that are  
10 under tremendous pressure to keep their  
11 budgets down and certainly the residents  
12 would want their school taxes to stay down.  
13 We're doing one thing after another that's  
14 requiring them to become encumbered with  
15 more administrative responsibilities.

16 I know it's not your fault, but  
17 I'm listening to this, and I'm just very  
18 very concerned about how much we can expect  
19 to consistently shift to the school  
20 districts. They're all our taxpayers. So  
21 someone's paying -- they're paying for it,  
22 whether they're paying for it through the  
23 county, through the town, through the state,  
24 through the school district, but we're  
25 constantly shifting the responsibility to

1 Finance Committee/12-3-12  
2 the local school district, and I have great  
3 concern about that.

4 CHAIRMAN NICOLELLO: What Mr.  
5 Valentino is telling you though is, it's not  
6 that it's a policy of the Department of  
7 Assessment, it's the law of the State of New  
8 York.

9 So you may find it objectionable,  
10 but if the law is what he says it is, then  
11 we have to do it, number one.

12 Number two, you're not going to  
13 have to hire any administrators in the  
14 school districts. It's simply their  
15 existing business offices will be able to  
16 budget the charge-backs of the county as  
17 well as the refunds coming in from the  
18 state. It's just a matter of a year or two  
19 getting this into the system.

20 MR. VALENTINO: We're just  
21 aligning ourselves with the rest of the  
22 state. It's not really a shift, it's just  
23 how the law is written and how Nassau County  
24 should be operating.

25 LEGISLATOR BOSWORTH: I

1 Finance Committee/12-3-12  
2 understand that. But having been part of a  
3 school district for many years, as you know,  
4 you can expect administrators to keep taking  
5 on more and more responsibilities, but at  
6 some point it does have a fiscal impact.  
7 It's not our fault, but I just had to  
8 express my concern.

9 CHAIRMAN NICOLELLO: Legislator  
10 DeRiggi-Whitton.

11 LEGISLATOR DeRIGGI-WHITTON: How  
12 long has that law been in place?

13 MR. VALENTINO: Which law?

14 LEGISLATOR DeRIGGI-WHITTON: The  
15 law stating that the county has to basically  
16 bill the school system for this refund.

17 MR. VALENTINO: RPTL Section 556,  
18 since 1979. I believe it was enacted in  
19 '78.

20 LEGISLATOR DeRIGGI-WHITTON: And  
21 we have never put it into effect until now?

22 MR. VALENTINO: Well, we had our  
23 own provision in the admin code that  
24 differed from the RPTL Section 556. It  
25 wasn't until we had an Appellate Division

1 Finance Committee/12-3-12  
2 decision handed down that says RPTL Section  
3 559 states that the correction of error  
4 provisions are preempted in the admin code,  
5 that we knew definitively that we should be  
6 abiding by RPTL Section 556.

7 LEGISLATOR DeRIGGI-WHITTON: When  
8 was that?

9 MR. VALENTINO: The Appellate  
10 Division Second Department decided in 2010  
11 that appeals weren't finished and concluded  
12 until 2011, in the Court of Appeals. The  
13 Court of Appeals denied leave to appeal.

14 LEGISLATOR DeRIGGI-WHITTON: I  
15 understand the STAR program is part of that.  
16 What other errors are we going to now be  
17 holding the schools accountable for?

18 MR. VALENTINO: It would be every  
19 error that falls under RPTL Section 550.

20 LEGISLATOR DeRIGGI-WHITTON: So  
21 what is your advice as to what they should  
22 budget, the school districts should budget  
23 for this type of thing?

24 MR. VALENTINO: Well, they're  
25 going to be informed by us the correction of



1 Finance Committee/12-3-12  
2 error provisions that were approved. The  
3 total amount of the correction of error  
4 petitions and to increase their budget the  
5 following year to account for them.

6 LEGISLATOR DeRIGGI-WHITTON:  
7 Well, they have a two percent gap as well.

8 MR. VALENTINO: There are certain  
9 exceptions to the two percent gap.

10 LEGISLATOR DeRIGGI-WHITTON: So  
11 this is going to fall under those  
12 exceptions?

13 MR. VALENTINO: I can't state  
14 that definitively.

15 LEGISLATOR DeRIGGI-WHITTON:  
16 That's what I was thinking. That's probably  
17 the only way that it's going to go around  
18 the two percent cap to cover our errors.

19 Can I ask one other question? It  
20 might be slightly hypothetical. The county  
21 is going to send out these bills to the  
22 school district, to school districts  
23 throughout the county. They are, let's say,  
24 possibly going to get partially reimbursed  
25 from the state at some point, we can't

1 Finance Committee/12-3-12  
2 guarantee that, that's for sure.

3 However, what are we going to do?  
4 What system are we going to have in place  
5 should the school system not be able to pay  
6 us? How are we going to go after our  
7 schools?

8 MR. VALENTINO: That's getting  
9 into a whole other area of law. It becomes  
10 debtor/creditor and we would be going into  
11 new territory there, so it's hard -- unless  
12 I have a concrete fact pattern presented to  
13 me, and time to research the issue, I really  
14 can't say.

15 LEGISLATOR DeRIGGI-WHITTON:  
16 Well, how can we be sending out bills  
17 without -- I would think it's part of our  
18 process before we send out bills, we better  
19 have a clear --

20 MR. VALENTINO: It's clear under  
21 the Real Property Tax Law, but you're  
22 stating the instance where the school  
23 district is refusing to pay, or --

24 LEGISLATOR DeRIGGI-WHITTON: Or  
25 can't pay.

1 Finance Committee/12-3-12

2 MR. VALENTINO: Or can't pay.  
3 You're going to have to go under other  
4 provisions then to collect and enforce. I'm  
5 just telling you how the Real Property Tax  
6 Law operates and how it's supposed to be  
7 charged back.

8 LEGISLATOR DeRIGGI-WHITTON: So  
9 how are we going to -- hypothetically or  
10 not, we need to have a plan right now before  
11 this goes through.

12 CHAIRMAN NICOLELLO: We'll bring  
13 them to court. I mean, that's the way  
14 things work.

15 LEGISLATOR DeRIGGI-WHITTON: So  
16 we're going to be bringing our school  
17 districts to court?

18 MR. VALENTINO: I mean, hopefully  
19 not. The rest of the state operates this  
20 way, we can obviously coordinate with other  
21 assessing jurisdictions and taxing  
22 jurisdictions to figure out how they handle  
23 it.

24 But we're, hopefully in the first  
25 instance, the school district abides by the

1 Finance Committee/12-3-12  
2 law and pays out their pro rata share of the  
3 refund.

4 LEGISLATOR DENENBERG: The towns  
5 in Suffolk don't charge the schools, they  
6 just don't.

7 CHAIRMAN NICOLELLO: Did  
8 Legislator Denenberg say he wanted to be  
9 recognized? Did somebody hear that? Does  
10 anybody over here have any questions?  
11 Legislator Denenberg.

12 LEGISLATOR DENENBERG: Sorry.  
13 The towns in Suffolk have never charged the  
14 schools for a mistake in an exemption.

15 MR. VALENTINO: Then they're not  
16 abiding by RPTL Section 556. I can't really  
17 speak to what the towns out in Suffolk do,  
18 but they should be under that provision.

19 LEGISLATOR DENENBERG: And if the  
20 mistake is the county's, the state is going  
21 to reimburse?

22 CHAIRMAN NICOLELLO: Again, we're  
23 going around in circles. He told you that  
24 with the STAR exemptions, the mistake is the  
25 part of the state --

1 Finance Committee/12-3-12

2 LEGISLATOR DENENBERG: No. He  
3 said both. It could be either he said.

4 CHAIRMAN NICOLELLO: With the  
5 STAR exemptions, who makes the mistake that  
6 results in an inappropriate STAR exemption?

7 MR. VALENTINO: Nine times out of  
8 ten it's the income over and we're then  
9 doing correction of error petition to  
10 correct that.

11 There are instances where the  
12 STAR exemption, for one reason or another,  
13 there was an error made in inputting it, and  
14 then we have to put it on. It's supposed to  
15 billed out to the school district. The  
16 school district gets reimbursed from the  
17 state or anything dealing with STAR.

18 LEGISLATOR DENENBERG: Even if  
19 it's the county's error?

20 MR. VALENTINO: Even if it's the  
21 county's error.

22 LEGISLATOR DENENBERG: Okay. I  
23 still don't agree and I certainly have  
24 looked into this since this came up. The  
25 towns which handle the assessment in Suffolk

1 Finance Committee/12-3-12  
2 County have not been charging the schools,  
3 period.

4 MR. VALENTINO: So the towns  
5 haven't been getting reimbursed.

6 LEGISLATOR DENENBERG: Maybe they  
7 don't have as much of a problem with errors  
8 or maybe it's because they have a tax cert  
9 line on the following year's tax bill so  
10 that corrects it, but they don't charge the  
11 schools.

12 MR. VALENTINO: I really can't  
13 speak to what they do.

14 CHAIRMAN NICOLELLO: Any further  
15 questions?

16 (No verbal response.)

17 Thank you, Mr. Valentino. Is  
18 there any public comment?

19 MR. IKENSON: We've been going  
20 around in circles and this is a typical  
21 bureaucrat -- nobody mentioned the homeowner  
22 is going to have to pay the tax.

23 CHAIRMAN NICOLELLO: Can you give  
24 us your name and address for the record?

25 MR. IKENSON: The bottom line is,

1 Finance Committee/12-3-12

2 the county --

3 CHAIRMAN NICOLELLO: Can you give  
4 us your name and address for the record?

5 MR. IKENSON: The county is going  
6 to get to the homeowner. What is the bottom  
7 line?

8 CHAIRMAN NICOLELLO: What is your  
9 name, sir?

10 MR. IKENSON: Seymour Ikenson.

11 CHAIRMAN NICOLELLO: Where do you  
12 live?

13 MR. IKENSON: I live in Great  
14 Neck. I live in an apartment. I don't want  
15 to own a home. People are moving out of  
16 Great Neck. Not really that much because  
17 foreign groups are coming in and buying into  
18 Great Neck because of the school system.

19 But the bottom line is, there is  
20 no future for young people in Nassau or this  
21 nation. None of you can tell me when the  
22 City of New York was going bankrupt, what  
23 the budget was for the city, And what the  
24 budget was for the state and what the  
25 budgets are now. Can anybody tell me that?

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2 Well, I'll tell you. The budget  
3 was \$6 billion for the city. And for the  
4 state, it was between \$13 billion and 16.  
5 What are they now? This country is  
6 bankrupt. The state is bankrupt. The city  
7 is bankrupt. The county is bankrupt. He's  
8 looking around for more tax money.

9 Who made a mistake is not  
10 important. It's a homeowner that has to  
11 pay. The consumer is going to have to pay  
12 for everything.

13 This inflation that's coming here  
14 will never be able to be controlled because  
15 of this kind of thinking. The law, the  
16 this, the that, that's all BS.

17 CHAIRMAN NICOLELLO: The law?

18 MR. IKENSON: The reality.

19 CHAIRMAN NICOLELLO: The law is  
20 BS?

21 MR. IKENSON: I come here 34  
22 years ago, 40 years ago. Nothing has  
23 changed. Nothing. It's said. Totally sad,  
24 because nobody really wants to see reality  
25 of what's really happening. And no one



1 Finance Committee/12-3-12  
2 wants to do anything because they all have  
3 self interests.

4 I'm sitting up here and I look  
5 around and what do I see? I see everybody  
6 has there own interests here but I don't see  
7 citizens. I don't see citizens. What does  
8 that tell you? They're totally ignorant of  
9 what's going on here. Not only in this  
10 room, but throughout the entire United  
11 States. It's happening in the world, in the  
12 western world. It's not only here.

13 But there are solutions. The  
14 politicians don't want the solutions. And  
15 the solutions are very simple, because  
16 they're going to happen no matter what. The  
17 politicians are stalling for time by  
18 borrowing and borrowing, and when the credit  
19 is going to be finished, the collapse will  
20 take place, and that's going to be the  
21 solution. People are going to have to do  
22 what has to be done.

23 CLERK MULLER: Your three minutes  
24 have expired, sir.

25 CHAIRMAN NICOLELLO: Okay.

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2 MR. IKENSON: That's it. But I  
3 would tell you now --

4 CHAIRMAN NICOLELLO: Can you  
5 please just wrap up. You have some extra  
6 time, go ahead.

7 MR. IKENSON: That this is a  
8 three-card Monty game or a game with walnuts  
9 with a pea underneath, but there is no pea.  
10 This is total fraud going on.

11 CHAIRMAN NICOLELLO: All right.  
12 Thank you, sir. Mr. Valentino, again, thank  
13 you for your advice.

14 All those in favor signify by  
15 saying aye.

16 (Aye.)

17 Any opposed?

18 (Nay.)

19 Those items pass four to three.  
20 Thank you. Item 686 of 2012 is an ordinance  
21 certifying base and adjusted base  
22 proportions for county, town and special  
23 districts for each class of property set  
24 forth in Section 1802 of the Real Property  
25 Tax Law.

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2 LEGISLATOR DUNNE: So moved.

3 LEGISLATOR WALKER: Second.

4 CHAIRMAN NICOLELLO: Moved by  
5 Legislator Dunne, seconded by Legislator  
6 Walker. Do we have any comments by the  
7 legislature, discussion?

8 (No verbal response.)

9 Is there any public comment?

10 (No verbal response.)

11 All those in favor signify by  
12 saying aye.

13 (Aye.)

14 Any opposed?

15 (No verbal response.)

16 Carries unanimously. Item 691  
17 and 692 of 2012 are resolutions to authorize  
18 the transfer of appropriations heretofore  
19 made within the budget for the year 2012.

20 LEGISLATOR VENDITTO: So moved.

21 LEGISLATOR DUNNE: Second.

22 CHAIRMAN NICOLELLO: Moved by  
23 Legislator Venditto, seconded by Legislator  
24 Dunne. Do we have any questions?

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 Carries unanimously. Item 693 of  
10 2012 is an ordinance supplemental to the  
11 annual appropriation ordinance in connection  
12 with the Departments of Corrections, Board  
13 of Elections, Office of Emergency  
14 Management, Fire Commission, the police  
15 department, et cetera.

16 LEGISLATOR DUNNE: So moved.

17 LEGISLATOR WALKER: Second.

18 CHAIRMAN NICOLELLO: Moved by  
19 Legislator Dunne, seconded by Legislator  
20 Walker. Mr. May, do we have someone to  
21 speak to this item?

22 MR. MAY: We do. We have Ms.  
23 Roseanne D'Allewa from Office of Management  
24 & Budget.

25 MS. D'ALLEVA: Questions?

1 Finance Committee/12-3-12

2 CHAIRMAN NICOLELLO: Why don't  
3 you tell us what this is.

4 MS. D'ALLEVA: Basically it's an  
5 item that supplementally appropriates a best  
6 guess estimate as to what the Sandy related  
7 expenses will be.

8 CHAIRMAN NICOLELLO: When you say  
9 "best guess," are there contracts here?

10 MS. D'ALLEVA: No. These are not  
11 contracts.

12 CHAIRMAN NICOLELLO: But are  
13 there sums included in this best guess that  
14 are certain because they're --

15 MS. D'ALLEVA: Yes. I believe  
16 the legislature approved several contracts  
17 last week, as I believe there are some items  
18 before you this week as well.

19 CHAIRMAN NICOLELLO: Well, I'm  
20 told that over 60 million of this number is  
21 a sum certain as a result of contracts that  
22 the county has or is about to enter into.

23 MS. D'ALLEVA: Yes. Absolutely.

24 CHAIRMAN NICOLELLO: So that's  
25 not a best guess. That's money that's

1 Finance Committee/12-3-12  
2 contractually due.

3 MS. D'ALLEVA: Well, actually  
4 this item was in the works for the past, I  
5 would say, three weeks. So we were just  
6 trying to put it together as best we could.

7 CHAIRMAN NICOLELLO: Do you know  
8 now how much FEMA is going to reimburse the  
9 county?

10 MS. D'ALLEVA: At this point in  
11 time, it's still 75 percent. I believe  
12 statewide, when the expenses teeter at about  
13 2.6 billion, then it will go to a 90/10  
14 split.

15 CHAIRMAN NICOLELLO: Okay. So --

16 MS. D'ALLEVA: As they did in  
17 Irene. So in Irene, we did get reimbursed  
18 90 percent.

19 MR. NOLAN: Chris Nolan from the  
20 Office of Management and Budget. In the  
21 event of major disasters such as this one,  
22 there is provisions in the FEMA statutes  
23 that say, once, in the case of New York  
24 State, once it reaches over 2.6 billion of  
25 documented damages, that the legislation

1 Finance Committee/12-3-12  
2 would -- the funding switch would change  
3 from 75/25 non-federal match to a 90/10  
4 non-federal match.

5 At this point in time we don't  
6 know when it will get to that. We fully  
7 expect the damages will exceed \$2.6 billion  
8 but the funding has not come to that point  
9 in time. We haven't gotten to that.

10 CHAIRMAN NICOLELLO: How do you  
11 supplement an appropriation of an amount  
12 that you don't know exactly what the amount  
13 is that you're going to spend?

14 MS. D'ALLEVA: Well, we reached  
15 out to all the departments and since several  
16 departments had Irene experience and knew  
17 what their preliminary costs would be, they  
18 gave us their best estimate. What we're  
19 supplementally appropriating as well is the  
20 reimbursement amount, which would be the  
21 federal and state share as well.

22 CHAIRMAN NICOLELLO: Where do you  
23 get the money from, where's this  
24 appropriation come from?

25 MS. D'ALLEVA: It's 75 percent

1 Finance Committee/12-3-12  
2 from the federal government.

3 CHAIRMAN NICOLELLO: No. I mean  
4 supplementally appropriating money now. We  
5 don't have the money from the federal  
6 government now.

7 MS. D'ALLEVA: Well, we've  
8 requested INF funding, which is immediate  
9 needs funding so we will be seeing -- we  
10 will be seeing some reimbursement early on.  
11 Within weeks we're hoping.

12 CHAIRMAN NICOLELLO: So, in other  
13 words, you don't have this 95 million now,  
14 it's an appropriation based on what you  
15 expect to receive?

16 MS. D'ALLEVA: That's right. We  
17 have very dedicated vendors that we want to  
18 basically, as the invoices come in, we want  
19 to be able to process those invoices. And  
20 the only way we can do that is if we  
21 appropriate the funding.

22 CHAIRMAN NICOLELLO: Thank you.  
23 Any other questions? Legislator  
24 DeRiggi-Whitton had her hand up.

25 LEGISLATOR DeRIGGI-WHITTON:



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2 Thank you. Do you know how much overtime  
3 this is going to cover, is it going to cover  
4 the police overtime? Have you put in --

5 MS. D'ALLEVA: There is an  
6 allocation in here for police overtime. We  
7 believe it should be -- we've heard  
8 estimates from the police department that  
9 their overtime would be about 10 to 12  
10 million.

11 LEGISLATOR DeRIGGI-WHITTON: So  
12 you're anticipating that some of that  
13 overtime will be covered through this --

14 MS. D'ALLEVA: Absolutely. We're  
15 anticipating that the police overtime will  
16 be reimbursed at the levels that, you know,  
17 everything else is being reimbursed at.

18 LEGISLATOR DeRIGGI-WHITTON: And,  
19 again, how quickly do you expect us to be  
20 reimbursed for this, like, in Irene, how  
21 long did that take?

22 MS. D'ALLEVA: Irene took quite a  
23 long time. I would I think it was 10 to 12  
24 months.

25 LEGISLATOR DeRIGGI-WHITTON: And

1 Finance Committee/12-3-12

2 we did the same type of thing for Hurricane  
3 Irene last year, did we do the same process?

4 MS. D'ALLEVA: This is a much  
5 larger scale, so I think in Hurricane Irene,  
6 we -- Hurricane Irene happened a lot earlier  
7 during the budget cycle, so there were --  
8 there was appropriations available at that  
9 time. This is year end so, therefore, we've  
10 decided to segregate the anticipated  
11 expenditures in a separate fund called the  
12 FEMA fund so we can easily access those  
13 expenses and appropriate accordingly.

14 LEGISLATOR DeRIGGI-WHITTON:  
15 Okay. Thank you.

16 LEGISLATOR BOSWORTH: Thank you.  
17 So do we have any idea how many of the  
18 expenses are incurred to date with Hurricane  
19 Sandy?

20 MS. D'ALLEVA: Currently the  
21 project -- there are these things called  
22 project worksheets that the departments have  
23 to fill out in accordance with FEMA and  
24 their FEMA representative. Currently,  
25 obviously, we've had vendors work in

1 Finance Committee/12-3-12  
2 emergency cases as well as we've followed  
3 procurement procedures to secure vendors for  
4 the long hall. So we do not have expenses  
5 currently.

6 We do, for the AA, in terms of  
7 overtime and possibly straight time that  
8 will be reimbursable, but in terms of debris  
9 removal and those vendors, so far I think  
10 DPW can speak to that as, you know, better  
11 than I can in terms of debris removal and  
12 those types of vendors.

13 But we anticipate that we have  
14 several invoices ready to go, once these  
15 appropriations are secured.

16 LEGISLATOR BOSWORTH: But  
17 certainly Hurricane Sandy -- and I  
18 understand, you know, the clean up  
19 continues.

20 MS. D'ALLEVA: Right.

21 LEGISLATOR BOSWORTH: This  
22 happened over a month ago. It would seem to  
23 me we have to have some record of the  
24 expenses that have been incurred, whether we  
25 paid them or not, I would imagine invoices

1 Finance Committee/12-3-12  
2 are sent in and that there's a record.

3 MS. D'ALLEVA: Yes, DPW has those  
4 records.

5 LEGISLATOR BOSWORTH: Excuse me?

6 MS. D'ALLEVA: DPW does have  
7 those records.

8 LEGISLATOR BOSWORTH: So could we  
9 hear what they are?

10 MS. D'ALLEVA: Ken Arnold is here  
11 from DPW.

12 MR. ARNOLD: Ken Arnold from  
13 Public Works. On the debris removal side we  
14 spent \$13 million to date. From our Looks  
15 Great contractor. We're totaling up the  
16 number from the other contract this week.

17 We expect by the end of the year  
18 to spend 40 million on debris in total  
19 including all the contractors. In addition,  
20 there is a hauling of debris out of  
21 Nickerson Beach which we're taking over from  
22 Long Beach, that's a cost of \$20 million.  
23 Then there's tipping fees associated with  
24 that which is going to be another six to  
25 \$7,000,000.

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2 LEGISLATOR BOSWORTH: So when you  
3 say you're taking it over from Long Beach --

4 MR. ARNOLD: We set up the debris  
5 disposal area for Long Beach and it became a  
6 benefit for the county to run it for them.  
7 The City of Long Beach says there was other  
8 debris going there.

9 LEGISLATOR BOSWORTH: So does  
10 Long Beach then pay you?

11 MR. ARNOLD: The federal  
12 government will be paying us through FEMA,  
13 we'll get the pass-through through FEMA.  
14 We'll get the credit for the expense and  
15 then we'll be reimbursed through FEMA.  
16 We'll be going to FEMA directly on the  
17 Nickerson Beach.

18 LEGISLATOR BOSWORTH: So it's  
19 kind of mixing and matching and melding and  
20 whatnot.

21 MR. ARNOLD: Yes.

22 LEGISLATOR BOSWORTH: So one of  
23 the things, we're assuming that we're going  
24 to be getting this money and we're hoping  
25 that -- not that we're hoping that the

1 Finance Committee/12-3-12  
2 expense will be over 2.6 billion, but that  
3 should it go over \$2.6 billion then we're  
4 expecting to be reimbursed at the 90 percent  
5 level as opposed to the 75 percent level.

6 It's hard to understand that  
7 we're certain that we're going to get this  
8 money when we have Senator Schumer today  
9 quoted that it's uncertainty as to how much  
10 money New York will be receiving in funds as  
11 it relates to Hurricane Sandy.

12 I understand Governor Cuomo was  
13 going to Washington today to try to lobby  
14 for funds. So they don't seem to be so sure  
15 as to the amounts of money that we're going  
16 to be getting back. How is it that we are?

17 MS. D'ALLEVA: Well, we're  
18 definitely getting the 75 percent. So the  
19 question is, what's being questioned really  
20 is, how much above the 75.

21 LEGISLATOR BOSWORTH: But for the  
22 purpose of this, the assumption is that it  
23 will be up to 90 even though --

24 MS. D'ALLEVA: No, no. The  
25 supplemental appropriation assumes 75.

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2 CHAIRMAN NICOLELLO: Legislator  
3 DeRiggi-Whitton has one more question.

4 LEGISLATOR DeRIGGI-WHITTON:  
5 Thank you. Last meeting we did a transfer  
6 from the fund, and I don't have my notes in  
7 front of me, I apologize, but the funds for  
8 the debt service that we had, the 25 million  
9 in, we transferred about \$10,000,000 for  
10 police overtime because a lot of that was,  
11 we were worried about the storm and the  
12 impact that would be.

13 So I'm just curious as to how we  
14 transferred money for it back then and now  
15 we're anticipating money being reimbursed  
16 for overtime with this as well. Doesn't it  
17 sound like we're kind of double dipping  
18 almost with the police overtime?

19 MS. D'ALLEVA: I think that was  
20 to fund our anticipated police overtime in a  
21 normal sense --

22 LEGISLATOR DeRIGGI-WHITTON: No,  
23 no. It included the storm.

24 MS. D'ALLEVA: I'm not really  
25 familiar with that board transfer, but I can

1 Finance Committee/12-3-12  
2 tell you, I know that we were trying to fund  
3 it to 48 million, not over and above. I  
4 believe this FEMA fund is in anticipation of  
5 anything over and above 48 million.

6 LEGISLATOR DeRIGGI-WHITTON: Can  
7 we just double check that. Unfortunately I  
8 don't like to speak without my notes, but I  
9 just wanted to -- in my mind I was thinking  
10 that part of that was for the storm and I  
11 just want to make sure we're not double  
12 dipping.

13 The other thing is, just real  
14 quick with DPW, I know you just mentioned  
15 that we have about a \$20 million budget.

16 Can you just come back up? I  
17 just heard you say something and I have a  
18 quick question. We have a \$20 million  
19 expenditure so far in clean-up fees for  
20 trees and waste removal.

21 MR. ARNOLD: We've expended about  
22 \$13 so far.

23 LEGISLATOR DeRIGGI-WHITTON: And  
24 we're going to have some thing that might be  
25 another \$20 million or so coming up



1 Finance Committee/12-3-12  
2 possibly?

3 MR. ARNOLD: The department had  
4 anticipated a total debris budget required  
5 to the end of the year of \$40,000,000.

6 LEGISLATOR DeRIGGI-WHITTON: I  
7 know this is coming up later, but I'm  
8 understanding that half of that is going to  
9 one company approximately?

10 MR. ARNOLD: Looks Great  
11 Services, which the contract will be,  
12 reviewing it right now, was the selected  
13 debris, emergency contract for the  
14 department prior to the storm.

15 LEGISLATOR DeRIGGI-WHITTON: And  
16 that's going to be almost half of our  
17 budget, it's going to go to one company?

18 MR. ARNOLD: Yes.

19 LEGISLATOR DeRIGGI-WHITTON:  
20 Thank you.

21 CHAIRMAN NICOLELLO: Legislator  
22 Denenberg.

23 LEGISLATOR DENENBERG: Mr.  
24 Arnold, what part of this \$95 million  
25 supplemental appropriation is going towards

1 Finance Committee/12-3-12  
2 public works?

3 MS. D'ALLEVA: I think we have  
4 \$51.9 million going to public works and  
5 approximately \$21.7, that's sewer and storm  
6 related.

7 LEGISLATOR DENENBERG: With  
8 respect to the 21.7 that's sewer and storm  
9 water related of this appropriation, none of  
10 that is related to the capital borrowing  
11 that was approved at the last full  
12 legislative meeting?

13 MR. ARNOLD: That's correct.

14 LEGISLATOR DENENBERG: So the  
15 21.7 appropriation here for sewer and storm  
16 is for, I'm hoping, ongoing cleanup in the  
17 areas where the sewage spilled into  
18 neighborhoods?

19 MR. ARNOLD: Some of that is,  
20 yes. Also, there are things that had to be  
21 done at the plant that were not capital  
22 expenditures as part of the cleanup. So the  
23 initial response of cleaning buildings and  
24 pumping out structures may or may not be  
25 capitalized.

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2 So in anticipation of requiring  
3 additional money outside the capital  
4 program, the department requested from OMB  
5 the \$21.7 million.

6 LEGISLATOR DENENBERG: And the  
7 51.9 that is for Public Works, and in  
8 accordance with what Legislator  
9 DeRiggi-Whitton just said, 40 million of  
10 that 51.9 would go towards debris removal?

11 MS. D'ALLEVA: Yes. It was  
12 estimated originally that they would move  
13 about 540,000 cubic yards of debris, and  
14 that translated to about \$40 million.

15 But now with the inclusion of  
16 Long Beach, it will be in excess of that.

17 LEGISLATOR DENENBERG: And \$20  
18 million of that would be towards one  
19 contractor?

20 MR. ARNOLD: The Looks Great  
21 contract is our tree debris removal  
22 contract. He also has items in his contract  
23 for the removal of construction debris and  
24 other materials.

25 So at this point, we're

1 Finance Committee/12-3-12  
2 evaluating our obligation of cleaning up the  
3 Nickerson site. Some of that work also may  
4 go to Looks Great Contracting who is our  
5 FEMA response contractor for this hurricane  
6 response.

7 LEGISLATOR DENENBERG: So this  
8 51.9 that's going to be higher now is  
9 largely, most of that debris is at Nickerson  
10 right now, and this will pay for removing  
11 the debris that's being disposed at  
12 Nickerson?

13 MR. ARNOLD: No. Let me back up.  
14 Nickerson Beach, the county taking  
15 responsibility and working on that is  
16 something that happened late last week. The  
17 supplemental that you're looking at today  
18 predates the Nickerson Beach involvement.

19 So the debris and tree  
20 maintenance that is in the supplemental  
21 that's in front of you today, it does not  
22 include the Nickerson beach part of the  
23 project.

24 LEGISLATOR DENENBERG: So when we  
25 approve this 95 million, we'll still have

1 Finance Committee/12-3-12

2 the debris stationed at Nickerson Beach?

3 MS. D'ALLEVA: This supplemental  
4 was the attempt by the administration or the  
5 office of management and budget actually to  
6 basically open up appropriations so that we  
7 can begin to pay vendors, and also overtime.  
8 It was a best guess. It was an estimate,  
9 and it will change as time goes on.

10 LEGISLATOR DENENBERG: Well --

11 MS. D'ALLEVA: And to that fact,  
12 I mean, the original debris removal  
13 estimates were the 540 cubic yards and now  
14 we're going to have to include Long Beach as  
15 well. But we didn't know that last week.

16 LEGISLATOR DENENBERG: Ken, can  
17 you answer my question though with respect  
18 to whether this will be enough money to  
19 remove what's being placed at Nickerson  
20 Beach right now?

21 MR. ARNOLD: No, they'll be  
22 additional requested funds for Nickerson  
23 Beach.

24 LEGISLATOR DENENBERG: Okay. So  
25 we're going to be asked for even more than

1 Finance Committee/12-3-12  
2 95 million in appropriations, but my  
3 question right now is the 95 million appears  
4 to me to just be a guesstimate then at this  
5 point, is that true?

6 MR. ARNOLD: In speaking on the  
7 public works piece of it, the department,  
8 once the storm had ended, went out and  
9 evaluated the county with its contractor,  
10 Looks Great Services, who is familiar with  
11 responding to hurricane tropical storms.

12 That assessment dictated that the  
13 damage on the south shore equated to a  
14 category two type storm and on the north  
15 shore where the trees were, a higher level  
16 of storm.

17 Based on that, we sat down with  
18 FEMA, and FEMA has, you know, some criteria  
19 where you set up how much debris you may  
20 anticipate from that type of evaluation.

21 Based upon that, we came up with  
22 a half billion cubic yards of material which  
23 translated into the budget request of  
24 \$40,000,000 for debris removal from the  
25 department.

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2 I mean, this is a moving target  
3 as areas are looked into and there are other  
4 issues that need to be addressed as we find  
5 out now with Long Beach and the amount of  
6 construction material that is being removed  
7 from those properties.

8 So, you know, we meet on a daily  
9 basis looking at our numbers, and right now  
10 our estimate is the 40 million plus the  
11 additional money from Long Beach which we  
12 will be putting together those numbers later  
13 this week.

14 LEGISLATOR DENENBERG: I don't  
15 know how that answered my question. So it's  
16 not a guesstimate or it is? I mean, it's  
17 based on the information that you had at the  
18 time?

19 MR. ARNOLD: A guesstimate  
20 engineering assessment, I mean, it's not  
21 strictly a guess, it's based on some facts  
22 and knowledge that the storm put in front of  
23 us.

24 LEGISLATOR DENENBERG: So if my  
25 concern is that you're coming to us as a

1 Finance Committee/12-3-12  
2 legislature and you're asking for a \$95  
3 million appropriation in order to spend this  
4 money, usually, when we appropriate, we know  
5 where the money is coming from and where  
6 it's going.

7 Right now, it seems like with the  
8 exception of a county request for an  
9 additional \$20 million in the latest TAN or  
10 tax appropriation note borrowing, the  
11 additional money, according to the backup,  
12 would be from FEMA, am I wrong?

13 MS. D'ALLEVA: Yes. The 75 --  
14 we're anticipating a reimbursement of 75  
15 percent. The TAN borrowing money is for  
16 cash flow purposes. So, therefore, the  
17 additional -- what happens is we will not be  
18 getting the reimbursement. You spend a  
19 dollar today, we're not going to get the  
20 reimbursement from FEMA today. Hopefully  
21 we'll get it in four to six weeks, but the  
22 TAN borrowing was to allow us that comfort  
23 zone to bridge us from today to  
24 reimbursement day.

25 LEGISLATOR DENENBERG: But if we



1 Finance Committee/12-3-12  
2 approve 95 right now, and the administration  
3 then spends up to 95 on Hurricane Sandy, and  
4 I'm not getting into whether it's a good  
5 expenditure or not a good expenditure, let's  
6 assume it's all emergency expenditure.

7 MS. D'ALLEVA: Yes. Everything  
8 will be audited.

9 LEGISLATOR DENENBERG: By who?

10 MS. D'ALLEVA: FEMA. The  
11 comptroller's office. It gets audited at  
12 many levels.

13 LEGISLATOR DENENBERG: But my  
14 concern is, we're also part of that  
15 authorization and our part is a check and  
16 balance. If we're approving 95 million  
17 right now, which is our best estimate or  
18 guesstimate where we are right now, and I'm  
19 hearing that we're going to be asked to  
20 spend even more, and I don't understand that  
21 \$95 million appropriation today from several  
22 different levels. One is, where is the  
23 money going to come from, aside from the 20,  
24 25 million? If the FEMA money either  
25 doesn't come in because we don't qualify for

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2 as much as we think we're going to quality,  
3 they turned down our application, or even if  
4 the 75/25 that you say is a minimum happens,  
5 if we only have \$20 million coming from the  
6 county through the TAN borrowing, where's  
7 the other 75 going to come from if FEMA  
8 money didn't come in yet?

9 MS. D'ALLEVA: We're going to --

10 LEGISLATOR DENENBERG: Where is  
11 the cash flow going to come from?

12 MS. D'ALLEVA: We're going to  
13 accrue the expense until we receive the  
14 reimbursable. They're accounting entries.

15 LEGISLATOR DENENBERG: You said  
16 we wanted to get the people started, the  
17 contractors, they're good contractors, we  
18 want to get them started, and we're about to  
19 get someone started today for 20 million and  
20 they can get the whole TAN borrowing.

21 Once we're out of our TAN  
22 borrowing, we don't have any cash flow until  
23 we get the FEMA reimbursement. If, God  
24 forbid, we don't get as much FEMA  
25 reimbursement as we're predicting, we're

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2 going to have a real problem finding the  
3 money. But until we get the FEMA money  
4 back, where is the cash flow coming from?

5 MS. D'ALLEVA: Well, I believe --  
6 I think we anticipated this and that's why  
7 we asked for \$20,000,000 extra in the TAN  
8 borrowing.

9 LEGISLATOR DENENBERG: But aside  
10 from that 20 million, that's the only county  
11 money that I see right now. The other 75  
12 million of this 95 million I see as coming  
13 from FEMA, which actually is a little bit  
14 over 75/25 split.

15 MS. D'ALLEVA: And then we'll  
16 have the 2013 appropriations to bridge us  
17 until we do get the reimbursements in terms  
18 of cash flow wise.

19 LEGISLATOR DENENBERG: What 2013  
20 appropriations?

21 MS. D'ALLEVA: We receive our  
22 taxes twice a year. So in terms of when the  
23 taxes come in, I believe in February, it's a  
24 cash flow. It'll bridge us.

25 LEGISLATOR DENENBERG: There's

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2 going to be enough cash flow in February to  
3 bridge us?

4 MS. D'ALLEVA: Yes.

5 LEGISLATOR DENENBERG: It's a lot  
6 of cash to have based on what's coming up  
7 February. And this has nothing to do -- let  
8 me just be sure. This has nothing to do  
9 with the borrowing that was approved last  
10 week, how much was it for disaster  
11 infrastructure that we borrowed last week,  
12 or that we approved?

13 MS. D'ALLEVA: No. It doesn't  
14 have anything to do with that.

15 LEGISLATOR DENENBERG: So this is  
16 day-to-day operational expense as opposed to  
17 capital improvements that are required from  
18 Sandy?

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

20 LEGISLATOR DENENBERG: So we're  
21 going for 95 million plus you're going to  
22 come back to us it sounds like for a --

23 MS. D'ALLEVA: For infrastructure  
24 as well. Anything capitally eligible.

25 LEGISLATOR DENENBERG: Well, no.

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2 The infrastructure and the capital approval  
3 for the infrastructure we did that last  
4 week, didn't we, or two weeks ago?

5 MS. D'ALLEVA: Right. But there  
6 will be other, you know, capital projects  
7 that will come out of Sandy --

8 LEGISLATOR DENENBERG: On top of  
9 the 192 we already approved?

10 MS. D'ALLEVA: There's going to  
11 other Sandy infrastructure in addition to  
12 what we just approved, right?

13 MR. SULLIVAN: Yes. Good  
14 afternoon, Tim Sullivan, deputy county  
15 executive for finance.

16 LEGISLATOR DENENBERG: Hi, Mr.  
17 Sullivan.

18 MR. SULLIVAN: Legislator  
19 Denenberg, yes, as you may know, the  
20 governor has requested over \$32 billion of  
21 which Nassau's share on that for public  
22 assistance was estimated at \$6.6 billion.  
23 This 95 million is really the first tranche  
24 in operational expenses. It's an estimate  
25 based on a review of what the department

1 Finance Committee/12-3-12  
2 submitted to us for a first -- our first  
3 tranche of need.

4 Above and beyond that, there will  
5 be capital projects going on. I know this  
6 legislature approved -- I think it was \$192  
7 million last week, and I think there will be  
8 additional capital needs with respect to  
9 that.

10 In terms of the cash flow for  
11 funding this, as Acting Budget Director  
12 D'Alleva said, we increased our 10 last  
13 year. We're considering potentially going  
14 back to the market in January and February.  
15 We haven't made that determination yet. We  
16 have to look at these things.

17 We know there's \$15.9 million  
18 that the state has already received for  
19 Nassau County that'll be appropriating down.  
20 So this is going to be sort of an in and out  
21 flow. We know this is going to be a long  
22 and several year process.

23 LEGISLATOR DENENBERG: So I'll  
24 get back to my concern and maybe you can  
25 answer it. If right now you're asking for a

1 Finance Committee/12-3-12  
2 supplemental appropriation from this body of  
3 \$95 million, and we're expecting at least 75  
4 percent of that \$95 million to come back to  
5 us from FEMA, from disaster relief --

6 MR. SULLIVAN: Just on that  
7 point. I'm expecting a lot higher. I think  
8 \$2.6 billion being a threshold to qualify  
9 for that level of disaster is going to be  
10 easily met.

11 Obviously the governor has stated  
12 it's a 32 to \$33 billion estimate before  
13 mitigation, so I'm not worried about the  
14 2.6.

15 LEGISLATOR DENENBERG: If I can  
16 get back to my question,

17 MR. SULLIVAN: Yes, sir.

18 LEGISLATOR DENENBERG: And I  
19 appreciate that last week either yourself or  
20 I believe it was Chief Deputy County  
21 Executive Walker said that the 192 million  
22 in borrowing that we were approving, he  
23 expected to get back 90 percent from FEMA as  
24 well. So we expect to do better than the  
25 75/25, and Ms. D'Alleva said 90/10.

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2 But what I'm asking is, if we  
3 appropriate the 95 million now before the  
4 money comes in, we're going to -- and we're  
5 having contractors go out and do the work  
6 and we only have 20 million from TAN money,  
7 once we exceed that 20 million and FEMA  
8 money hasn't come in yet, where is the money  
9 going to come from and shouldn't we just  
10 appropriate what we have right now and wait  
11 until either we get the FEMA money or know  
12 where the cash flow is going to come from?

13 MR. SULLIVAN: I think that would  
14 present a myriad of problems. You'd never  
15 be able to pay any of your vendors. As with  
16 all budgets, you have to set up  
17 appropriations on --

18 LEGISLATOR DENENBERG: But I  
19 don't know where the cash flow is coming to  
20 pay them if FEMA money doesn't --

21 MR. SULLIVAN: Well, I referenced  
22 the 15.9 million sitting at the state right  
23 now that has already come in. So that is  
24 money that we have to draw down from the  
25 state.



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2 The money will be flowing  
3 through. We've made immediate needs  
4 applications to New York State as well. So  
5 I think there will be timely response by the  
6 feds on this. They realize the urgency of  
7 the situation.

8 LEGISLATOR DENENBERG: So what  
9 I'm hearing is, approve the 95 now. We  
10 should get at least 75 percent back, maybe  
11 90, and we'll worry about cash flow because  
12 we have -- or we'll deal with cash flow from  
13 the 20 million that we have in tax  
14 anticipation notes, maybe we'll get some of  
15 the money from the feds through the state as  
16 it comes in, 15.9 now.

17 Worse comes to worse, they'll be  
18 a cash flow shortage until February when we  
19 can borrow on our tax receipts at that  
20 point.

21 MR. SULLIVAN: Well, it wouldn't  
22 be borrowing. I guess it would be using the  
23 cash flow. We may go back to the market  
24 again depending on how quickly the feds  
25 reimburse.

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2 LEGISLATOR DENENBERG: My concern  
3 is on the timing that's on the cash flow and  
4 my concern is also, you know, I understand  
5 the 75/25 and I hope it goes up to 90/10,  
6 but one thing that Ms. D'Alleva said that I  
7 disagree with, I mean, my studies of this  
8 process going back to Irene last year is  
9 that not -- the feds don't commit that every  
10 single application --

11 MR. SULLIVAN: That's quite true.

12 LEGISLATOR DENENBERG: -- is  
13 accepted. They can turn around and say --  
14 and I'm hoping they don't, but they can turn  
15 around and say, this road was a problem  
16 before Sandy. You were planning on doing it  
17 before Sandy so we're only giving you a  
18 smaller percentage of that.

19 They do that to municipalities  
20 all the time. We wouldn't be unique in  
21 that. So I'm worried about -- not that it's  
22 not going to be 75/25 or 90/10, but that we  
23 don't get every single application okayed.  
24 Even if it's, you know, a well meaning  
25 application, they can find that some of the

1 Finance Committee/12-3-12  
2 work had to be done regardless of the  
3 disaster, so it wasn't just a disaster  
4 project.

5 MR. SULLIVAN: We're back.

6 LEGISLATOR DENENBERG: So just to  
7 reiterate my concern, it's not just cash  
8 flow, it is cash flow, but it's also that  
9 what we anticipate getting back from the  
10 feds might take longer than what we  
11 anticipate and not be everything we  
12 anticipate. Not so much because of the  
13 percentages, but, eventually, some of our  
14 applications might be subject to scrutiny  
15 and the finding that it's not all disaster  
16 related.

17 MR. SULLIVAN: I personally met  
18 with the county executive from the Louisiana  
19 area that was greatly impacted by Katrina  
20 and they're still dealing with problems from  
21 that. So you're actually quite correct,  
22 legislator. This is going to be a  
23 multi-year process with lots of back and  
24 forth between us and the federal government.

25 LEGISLATOR DENENBERG: I'm glad

1 Finance Committee/12-3-12  
2 we agree but it's still my concern that  
3 we're giving a lot of leeway right here  
4 where eventually the cash flow is going to  
5 have to come from some other county sources  
6 at least for a while.

7 CHAIRMAN NICOLELLO: Mr.  
8 Sullivan.

9 MR. SULLIVAN: Chairman  
10 Nicolello.

11 CHAIRMAN NICOLELLO: Good  
12 afternoon. Now, with or without the  
13 appropriations, these expenses are still  
14 there, right?

15 MR. SULLIVAN: That is quite  
16 correct.

17 CHAIRMAN NICOLELLO: And the cash  
18 flow issues are going to exist with or  
19 without the appropriations?

20 MR. SULLIVAN: That is correct  
21 unless we don't pay the vendors.

22 CHAIRMAN NICOLELLO: Now let me  
23 ask you this, if the appropriation, the  
24 supplemental appropriations is not passed,  
25 can the controller pay the vendors?

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2 MR. SULLIVAN: We do not have the  
3 appropriations, no.

4 CHAIRMAN NICOLELLO: Right. So  
5 then the vendors don't get paid. What about  
6 the employees if they work time above the  
7 budget?

8 MR. SULLIVAN: We do not have the  
9 appropriation to pay them either.

10 CHAIRMAN NICOLELLO: So if we  
11 don't have the appropriations in place,  
12 neither the vendor nor the employees can --

13 MR. SULLIVAN: And that is  
14 especially critical now because we're in the  
15 12th month of the year. So most of the  
16 appropriations, you know it's a tight budget  
17 to begin with and we're more than 11/12s of  
18 the way through the year so there's not that  
19 much left on each appropriation, so that  
20 would be critical.

21 CHAIRMAN NICOLELLO: Legislator  
22 DeRiggi-Whitton.

23 LEGISLATOR DeRIGGI-WHITTON: Mr.  
24 Arnold, can I just ask you a quick question?  
25 I just want to state, we're supportive of

1 Finance Committee/12-3-12  
2 funding Sandy. This is just a lot of money  
3 and we're just verifying that everything is  
4 done properly.

5 I'm not sure if you're aware, but  
6 in my district we've had a lot of activity  
7 the last couple days. I know this will be  
8 before Rules later, but I'm not on the Rules  
9 Committee, but I'm concerned about this  
10 contract that we're giving Looks Great  
11 Services.

12 CHAIRMAN NICOLELLO: That's not  
13 appropriate. If you're not on the Rules  
14 Committee then I'm not having that  
15 discussion. You can have one of your  
16 members of the Rules Committee question  
17 that.

18 LEGISLATOR DeRIGGI-WHITTON:  
19 That's fine. But I would just like to say  
20 to you, I'm not talking about the contract  
21 itself, however, there were 143 trees that  
22 were cut down in a preserve in Glen Cove and  
23 we're very worried about it. The property  
24 itself was deemed from the Pratt Family as a  
25 preserve and a bird sanctuary. I'm just

1 Finance Committee/12-3-12  
2 having a hard time getting answers as to how  
3 the trees were selected and everything else.  
4 I was told by one department that  
5 they were selected prior to the tree company  
6 appearing. I was told today by someone  
7 whose quite well informed that that wasn't  
8 the case. They went tree by tree and  
9 decided which ones to cut down at the time.  
10 I hear that they're getting paid per tree.

11 I'm just -- I understand we  
12 definitely have a lot of clean up that has  
13 to be done. This preserve is really not  
14 something that is, you know, urgent by any  
15 means. It's not covering any roads or  
16 anything else.

17 I want you to know this is going  
18 to be a major problem. I'm worried about it  
19 with this company.

20 I just had one other quick  
21 question regarding this because this is part  
22 of it. It's going to be 20 million out of  
23 our 40 million budget. That's finance right  
24 there.

25 Do you know if they're certified

1 Finance Committee/12-3-12  
2 to carry away any type of waste, solid waste  
3 or otherwise?

4 CHAIRMAN NICOLELLO: Mr. Arnold,  
5 are you going to be here for the Rules  
6 Committee?

7 MR. ARNOLD: Yes, I am.

8 CHAIRMAN NICOLELLO: You'll be  
9 asked to answer those questions. We have  
10 this item before us, it's a \$95 million  
11 appropriation. This is not appropriate.  
12 Those questions will be answered in due  
13 time. If you have a question on the  
14 appropriation, you can ask it.

15 LEGISLATOR DeRIGGI-WHITTON:  
16 That's sort of part of it. Mr. Arnold just  
17 mentioned before that out of the \$40 million  
18 that we anticipate spending on cleanup, \$20  
19 million is going to be going to that.

20 So although it's not directly  
21 related to the contract, it's talking about  
22 the budget, and it really is sort of well  
23 connected, and I think I have a right on the  
24 Finance Committee to ask about it.

25 The question I have is, I looked



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2 at their website and they didn't mention  
3 anything about solid waste. I never saw  
4 anything as far them pulling -- being  
5 certified or experts in waste. It says,  
6 tree removal, tree trimming and Christmas  
7 decorations as their three main specialties,  
8 and I'm wondering how we're going to be  
9 giving them such a huge contract.

10 CHAIRMAN NICOLELLO: Does anyone  
11 have a question on this item before I move  
12 to public comment?

13 LEGISLATOR DeRIGGI-WHITTON: I  
14 do.

15 CHAIRMAN NICOLELLO: Going into  
16 this material, what you're doing is, I just  
17 told you that's out of order, and it should  
18 be asked later.

19 LEGISLATOR DeRIGGI-WHITTON: It's  
20 really not.

21 CHAIRMAN NICOLELLO: When I said  
22 it's out of order, you decided to say some  
23 more. So if you have something on this item  
24 you're more than free to ask whatever you  
25 want.

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2 LEGISLATOR DeRIGGI-WHITTON: I  
3 can't see how it's not related to this.

4 CHAIRMAN NICOLELLO: It's not.  
5 Mr. Denenberg, do you have anything else?

6 LEGISLATOR DeRIGGI-WHITTON: I  
7 just have one follow up question. Was this  
8 contract which is \$20,000,000, was that put  
9 out to bid?

10 CHAIRMAN NICOLELLO: It's out of  
11 order. Legislator Denenberg, do you have  
12 any questions? I told you, that contract is  
13 going to be before the Rules Committee. You  
14 have three members of the Rules Committee.  
15 They can ask those questions.

16 LEGISLATOR DeRIGGI-WHITTON: Then  
17 I'm going to go with a statement  
18 representing my district, am I allowed to do  
19 that?

20 CHAIRMAN NICOLELLO: You're going  
21 to what?

22 LEGISLATOR DeRIGGI-WHITTON: I'm  
23 going to make a statement because I  
24 represent the 18th District. 143 trees were  
25 cut down from the preserve.

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2 CHAIRMAN NICOLELLO: You said  
3 that already.

4 LEGISLATOR DeRIGGI-WHITTON: And  
5 I'm very concerned.

6 CHAIRMAN NICOLELLO: This is a  
7 finance item. It's an appropriations item.

8 LEGISLATOR DeRIGGI-WHITTON: You  
9 know what, I don't think it's up to you to  
10 decide.

11 CHAIRMAN NICOLELLO: It is.

12 LEGISLATOR DeRIGGI-WHITTON: I  
13 think I'm allowed to make a statement.

14 CHAIRMAN NICOLELLO: It is.  
15 There has to be some sort of order here.

16 LEGISLATOR DeRIGGI-WHITTON:  
17 Listen, part of this is for tree removal and  
18 tree cutting down. That's what we're  
19 talking about right now.

20 CHAIRMAN NICOLELLO: We're not  
21 going tree by tree.

22 LEGISLATOR DeRIGGI-WHITTON:  
23 We're not. However, I'm making a statement  
24 that I'm concerned about the qualifications  
25 of the company.

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2 CHAIRMAN NICOLELLO: Good. That  
3 item will be before the Rules Committee in a  
4 little while.

5 LEGISLATOR DeRIGGI-WHITTON: It's  
6 also in this right now. It's in that  
7 backup.

8 CHAIRMAN NICOLELLO: It may be in  
9 the backup but this is a \$95 million  
10 supplemental appropriation.

11 LEGISLATOR DeRIGGI-WHITTON: So  
12 we're not allowed to discuss anything that's  
13 in the backup for this proposal?

14 CHAIRMAN NICOLELLO: Oh, come on.  
15 We've been discussing what's in the backup  
16 for the last hour.

17 LEGISLATOR DeRIGGI-WHITTON: So  
18 why don't you just let me make the statement  
19 which is --

20 CHAIRMAN NICOLELLO: You made  
21 your statement about the trees. If you have  
22 something else to say, go ahead.

23 LEGISLATOR DeRIGGI-WHITTON: Can  
24 you let me finish?

25 CHAIRMAN NICOLELLO: If it's

1 Finance Committee/12-3-12  
2 about the trees, I'm going to go to  
3 Legislator Denenberg, and if he's not going  
4 to say anything, I'm going to public comment  
5 and calling for a vote.

6 LEGISLATOR DeRIGGI-WHITTON: It's  
7 really interesting how this works, but my  
8 concern, Mr. Arnold, I'm just going on  
9 record, that before --

10 CHAIRMAN NICOLELLO: The 270  
11 trees were cut down in the preserve. We  
12 know this. That's a terrible thing. It  
13 should be investigated. Has nothing to do  
14 with this item.

15 LEGISLATOR DeRIGGI-WHITTON:  
16 That's the wrong number. Can I correct you?  
17 143 trees were taken down.

18 CHAIRMAN NICOLELLO: 143 trees.  
19 We understand that.

20 LEGISLATOR DeRIGGI-WHITTON:  
21 Which will be investigated, and the only  
22 thing, my concern, which I'm expressing on  
23 this, is that I don't know how this company  
24 was chosen, but it does not seem that they  
25 fit the qualifications and, before we put

1 Finance Committee/12-3-12  
2 this in as an appropriation, I want to make  
3 sure that they do. I mean, not to even list  
4 waste removal or anything else in their  
5 qualifications makes me concerned that they  
6 were given a \$20 million appropriation,  
7 contract. Thank you.

8 CHAIRMAN NICOLELLO: Well, if a  
9 member of the minority wants to ask those  
10 questions in Rules, they're more than able  
11 to do so. Legislator Denenberg, you had  
12 more questions?

13 LEGISLATOR DENENBERG: Yes.

14 Mr. Sullivan, the total, which  
15 has been provided to us shows salaries,  
16 fringe benefits, and Legislator Nicolello,  
17 and you discussed this briefly, the salaries  
18 include ordinance employees as well as union  
19 employees, or is it only for overtime? How  
20 does that break up?

21 MR. SULLIVAN: I think that most  
22 of the personnel that I've seen, just  
23 looking at the backup here, has been, the  
24 overtime situation in the police department  
25 and in public works, and I think just about

1 Finance Committee/12-3-12  
2 all the employees there would be union,  
3 either obviously members of the force with  
4 respect to the police department and CSEA  
5 with respect to public works.

6 LEGISLATOR DENENBERG: Is there  
7 going to be any greater backup -- I'm sorry,  
8 any greater breakdown of the salaries -- of  
9 each of these items coming up to the 95  
10 million?

11 Or, is this, when we get to full  
12 two weeks from now, I would like to see how  
13 the contractual services are broken down,  
14 how the general expenses are broken down and  
15 the salaries.

16 I would agree that when it comes  
17 to salaries, I think you broke it down by  
18 department.

19 MR. SULLIVAN: Yes, we did sir.

20 LEGISLATOR DENENBERG: It's not?

21 MR. SULLIVAN: It's all broken  
22 down by department, yes.

23 LEGISLATOR DENENBERG: Can I get  
24 a confirmation that that's all hourly  
25 employees or union employees and not

1 Finance Committee/12-3-12  
2 ordinance employees?

3 MR. SULLIVAN: Sure.

4 LEGISLATOR DENENBERG: I would  
5 like to see that before it gets to Full.

6 And in terms of the contracts, to  
7 the extent that the contractual services  
8 have already been awarded, can we get a  
9 breakdown of those contracts?

10 MR. SULLIVAN: Sure.

11 LEGISLATOR DENENBERG: Between  
12 now and two weeks from now it seems that  
13 some of those contracts are going to be  
14 awarded without getting into what the Rules  
15 Committee is going to debate, there is a \$20  
16 million contract right now. I'd just like  
17 to see how the contractual services is  
18 breaking down before this gets to full.

19 MR. SULLIVAN: I think a lot of  
20 the contracts have been approved on an  
21 emergency service basis by this body, but we  
22 will certainly get that backup for you.

23 LEGISLATOR DENENBERG: So, for  
24 me, what I'm looking to do is see what  
25 portion of the 62.2 in contractual services



1 Finance Committee/12-3-12  
2 would have been awarded already and I would  
3 guess certainly, if not now, by two weeks  
4 from now, we'll know virtually everyone  
5 whose getting the contractual services,  
6 correct?

7 MR. SULLIVAN: I would imagine  
8 so, yes, sir.

9 LEGISLATOR DENENBERG: Can we  
10 have that before full?

11 MR. SULLIVAN: Certainly.

12 CHAIRMAN NICOLELLO: Legislator  
13 Bosworth.

14 LEGISLATOR BOSWORTH: So we're  
15 faced with unprecedented damage and  
16 unprecedented storm, and I know that if our  
17 DPW were able to take care of all of this,  
18 it would be done in the manner that we would  
19 expect it to be done, but because of the  
20 scope of the work, it's understandable that  
21 there are contracts or subcontracts and you  
22 have people doing a lot of work to expedite  
23 the cleanup.

24 What oversight do we have to make  
25 sure that the jobs that are being done are

1 Finance Committee/12-3-12  
2 being done according to our specifications?

3 I'm not referring to any  
4 contract, but we hear about 143 trees that  
5 were taken down and paid for by tree, and we  
6 don't know if it's necessary for them to be  
7 taken down or not. Where is the oversight?  
8 How does this proceed so that there's still  
9 some way of assuring that the work that's  
10 supposed to be done is the work that is  
11 being done?

12 MS. D'ALLEVA: Each department is  
13 managing all their subcontractors and  
14 vendors accordingly as they most normally  
15 would. I know that DPW, for instance, just  
16 in tree removal, in debris removal, I think  
17 one of the reasons that certain vendors were  
18 awarded contracts was because they had --  
19 their data control was above all others in  
20 terms of, they would have GPS's on their  
21 trucks, they would have iPads, taking  
22 pictures of everything they removed, the GPS  
23 location of every single tree or debris  
24 removed. So that everything would be FEMA  
25 recoverable.

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2 MS. D'ALLEVA: Thank you.

3 CHAIRMAN NICOLELLO: Any other  
4 questions?

5 (No verbal response.)

6 Is there any public comment?

7 Sir, please state your name again for the  
8 record.

9 MR. IKENSON: My name is Seymour  
10 Ikenson.

11 CHAIRMAN NICOLELLO: Okay. And  
12 you're from Great Neck.

13 MR. IKENSON: And this hurricane,  
14 as the young lady said, was unprecedented  
15 and therefore you must use unprecedented  
16 methods, not political methods, but  
17 unprecedented methods.

18 One idea I have, so that cash  
19 doesn't flow out, is that you can give tax  
20 rebates to private industry or people that  
21 have garbage collecting, or whatever they  
22 do, that they can go in there, not to give a  
23 sole contract out the way you're doing,  
24 because you don't have the money for that.

25 The idea is to give a tax rebate

1 Finance Committee/12-3-12  
2 for people to go in, business people from  
3 the private sector and collect the garbage  
4 or the waste that's there.

5 The other important thing that  
6 you mentioned, very quickly, was the  
7 contamination of the soil. Whose going to  
8 clean up that? And how does that get paid  
9 for? Can anybody answer that? There's  
10 contamination unprecedented. But no one can  
11 answer that because no one knows what the  
12 costs will be.

13 This idea, and the way I  
14 understand it, and he consulted people from  
15 Louisiana so they have experience. And,  
16 also, that he consulted a contractor who has  
17 that experience. Well, this is  
18 unprecedented. I don't believe you need  
19 that. I think you need people in private  
20 sector to go in and do the job and give them  
21 tax rebates. That's the way you're going to  
22 save the cash. Volunteers. Not all  
23 controlled by unions.

24 What do you think of that?

25 CHAIRMAN NICOLELLO: Some jobs

1 Finance Committee/12-3-12  
2 are too big for a private -- the government  
3 does have a purpose.

4 MR. IKENSON: I didn't say that  
5 one can take it. There are certain areas  
6 that garbage people take care of.

7 CHAIRMAN NICOLELLO: Are you  
8 going to let me finish? Look. I'm a  
9 conservative Republican. I favor limited  
10 government. But, there are some jobs, some  
11 issues, some problems that require a  
12 response on a scale that only a larger scale  
13 of government can perform. This is one of  
14 them.

15 MR. IKENSON: Government does not  
16 do anything efficiently. The fact that --

17 CHAIRMAN NICOLELLO: Well, that's  
18 true.

19 MR. IKENSON: Listen, I've been  
20 in business all my live. I retired because  
21 of corruption, okay? I'll tell you that. I  
22 came up here almost 40 years ago to fight,  
23 and it was all by an accident, because the  
24 unions that I belonged to, my firm belonged  
25 to, were going to go on strike, so we needed

1 Finance Committee/12-3-12  
2 police protection, and that's how I learned  
3 about all of this. Otherwise, I'd be  
4 totally ignorant.

5 But I'm telling you, your methods  
6 of operation have to change. You have to be  
7 innovative and you have to be brave and  
8 courageous to do what's right. I'm telling  
9 you you can you save a lot of money.

10 This young man is asking a lot of  
11 good questions but he doesn't have the right  
12 questions because I know damn well, when I  
13 was up here, and emergencies arose, the  
14 martyr would give in without a price to his  
15 crew, whoever he wanted. That was  
16 Hendrickson Brothers. I remember  
17 everything.

18 I'm telling you, you've got to be  
19 innovative. You've got to be courageous and  
20 you've got to be strong, otherwise  
21 everybody's going to flee here.

22 I forgot to say before, half of  
23 Kings Point is up for sale because of the  
24 school taxes, okay? So, be courageous and  
25 fight for the citizens, not the bureaucrats.

1 Finance Committee/12-3-12

2 CHAIRMAN NICOLELLO: Thank you,  
3 sir.

4 MR. IKENSON: Again, I want to  
5 know why you think that the government is  
6 there to do everything for people? That's  
7 absolutely false.

8 CLERK MULLER: Your three minutes  
9 have expired, sir.

10 CHAIRMAN NICOLELLO: Thank you,  
11 sir, I appreciate it.

12 All those in favor signify by  
13 saying aye.

14 (Aye.)

15 Any opposed?

16 (No verbal response.)

17 The item moves on to the Rules  
18 Committee.

19 LEGISLATOR DENENBERG: Legislator  
20 Nicolello, for the record, some of the  
21 information that I requested is important  
22 for all of us, but certainly to the minority  
23 caucus as this moves to full. I would  
24 appreciate that information before Full.  
25 Thank you, Mr. May.

1 Finance Committee/12-3-12

2 CHAIRMAN NICOLELLO: Thank you.

3 It passed unanimously. Items 701, 702, 703,  
4 704, 705, 706, 707, 708, 709, 710, 711, 712,  
5 713 are all ordinances supplemental to the  
6 annual appropriation ordinance in connection  
7 with the Department of Social Service,  
8 Police Department, Medical Examiner's  
9 Office, Office of Emergency Management,  
10 Corrections Department, Health Department,  
11 Budget Office, Corrections Center, and  
12 Correctional Center and Department of  
13 Probation.

14 LEGISLATOR DUNNE: So moved.

15 LEGISLATOR VENDITTO: Second.

16 CHAIRMAN NICOLELLO: Moved by  
17 Legislator Dunne, seconded by Legislator  
18 Venditto. Do we have any discussion on  
19 these items? These all went through  
20 committees earlier. We'll incorporate by  
21 reference those minutes from those committee  
22 meetings.

23 (Whereupon, the following minutes  
24 pertaining to Clerk Items 701, 706, 707,  
25 708, 710 are referenced from the Health



1 Finance Committee/12-3-12  
2 Committee minutes on pages 5 through 12.)

3 (Whereupon, the following minutes  
4 pertaining to Clerk Items 702, 703, 704,  
5 705, 709, 712, 713 are referenced from the  
6 Public Safety Committee minutes on pages 7  
7 through 21, 12-3-12.)

8 (Whereupon, the following is the  
9 continuation of the minutes of the Finance  
10 Committee, 12-3-12.)

11 LEGISLATOR DENENBERG: Did you  
12 call 709?

13 CHAIRMAN NICOLELLO: Yes, every  
14 one of them, 701 through 713.

15 LEGISLATOR DENENBERG: I did have  
16 a couple of questions on 709.

17 CHAIRMAN NICOLELLO: Can we bring  
18 someone up for 709, I believe it relates to  
19 the Urban Security Initiative?

20 MR. MAY: We have Mr. Tom Delaney  
21 who is still in the room, coming right up.

22 LEGISLATOR DENENBERG: How are  
23 you?

24 MR. DELANEY: Hanging in there,  
25 sir. How are you?

1 Finance Committee/12-3-12

2 LEGISLATOR DENENBERG: On 709,  
3 which is the Urban Area Security Initiative,  
4 it's an appropriation of 2.247 million,  
5 that's where my questions are.

6 MR. DELANEY: 2.247, that's  
7 correct, sir.

8 LEGISLATOR DENENBERG: Okay. Now  
9 can any of this money be used or can the  
10 training focus in any way on disaster  
11 response such as what would be needed now  
12 after Sandy?

13 MR. DELANEY: For training on  
14 disaster response, absolutely positively it  
15 could be used for that. When we do our  
16 contract with New York State, we put in a  
17 proposed project list that they approve. We  
18 often go back and change things as our needs  
19 change also. So, yes.

20 For example, Westchester County,  
21 they needed a hazard mitigation plan. They  
22 used Homeland Security Grant Funds, in fact,  
23 paid a contractor to write that up. So it's  
24 in line.

25 LEGISLATOR DENENBERG: I mean, in

1 Finance Committee/12-3-12  
2 the wake of Sandy, if some of this money in  
3 terms of response to terrorism can also be  
4 used -- if we can use Super Storm Sandy in  
5 response to disaster, for example, if we  
6 looked at the results of the interoperable  
7 communications system, where it failed,  
8 where it worked, can we use the funds for  
9 testing and improving that system?

10 MR. DELANEY: Definitely.

11 LEGISLATOR DENENBERG: Is that  
12 some of what we're looking at, I would hope?

13 MR. DELANEY: I'll have to review  
14 every request that we have in here, but if  
15 it came out that there was a need to fill  
16 some of these gaps, build these  
17 capabilities, the funds could be utilized  
18 for that purpose. The guidance would permit  
19 that.

20 LEGISLATOR DENENBERG: Okay.

21 MR. DELANEY: And this goes not  
22 even just for this Uwasi Grant either, that  
23 goes for the State Homeland Security Program  
24 funding that we have too, just so you know.

25 LEGISLATOR DENENBERG: Thank you

1 Finance Committee/12-3-12

2 very much, sir.

3 CHAIRMAN NICOLELLO: Legislator  
4 Bosworth.

5 LEGISLATOR BOSWORTH: Thank you.  
6 Last summer there was a terrible accident in  
7 the water and there was lack of  
8 communication from all places, so as long as  
9 we're talking about this grant and we're  
10 talking about monies that are going to be  
11 used to prepare for terrorism and  
12 emergencies, have those communication  
13 problems been addressed at this point, and  
14 how did you find that the communication  
15 system worked during the hurricane? Were  
16 the police able to communicate with the  
17 first responders, the other first responders  
18 or would the first responders be able to  
19 communicate with OEM, how did that work?

20 MR. DELANEY: I can tell you, on  
21 some of the things that I'm familiar with,  
22 which is on the 800 megahertz system, I  
23 can't speak to the police department's  
24 communication system, however, but from the  
25 PD folks that were sitting in our ESE, I

1 Finance Committee/12-3-12

2 didn't see them having any issues.

3 We did have problems with the 800  
4 megahertz system. We had one of our prime  
5 locations, the antenna was knocked out of  
6 alignment. That was remediated the next  
7 day, however. So we got those  
8 communications back up. That was probably  
9 one of the main things.

10 We do run communication tests  
11 every day with people, not every day, excuse  
12 me, every week, with village officials and  
13 other localities that have been issued 800  
14 megahertz system radios, so there shouldn't  
15 have been an issue as far as them not  
16 knowing how to use radios, for example. The  
17 ability is there.

18 LEGISLATOR BOSWORTH: I've gone  
19 to VOA meetings and that's always a point of  
20 concern of the communication not being that  
21 great between the mayors and the people  
22 they're supposed to be communicating to, but  
23 you talk about the cell tower being knocked  
24 down or knocked out of alignment so that the  
25 communication was not possible, and it's

1 Finance Committee/12-3-12  
2 great to say that the next day it was back  
3 up but, in between that day, a lot can  
4 happen.

5 Are there any plans to fortify  
6 the towers so that -- because this was, yes,  
7 this was an unprecedented storm, but these  
8 hundred year storms are happening every year  
9 now or so it seems, so we need to make sure  
10 that our basic means of communication are  
11 fortified and can withstand winds far  
12 greater than 90 miles an hour.

13 Can funds be used for this and is  
14 there actually a plan to do that?

15 MR. DELANEY: There currently  
16 isn't a plan. That's one of the things  
17 that's going to come out in the after-action  
18 report on this, I'm sure.

19 Just to make it clear, the 800  
20 megahertz system wasn't knocked out, but  
21 just one of the main points were. It does  
22 have a self healing nature. So it didn't  
23 knock down the whole system just because you  
24 lost one point of communication.

25 LEGISLATOR BOSWORTH: I get it.

1 Finance Committee/12-3-12

2 And I think the more compelling question is,  
3 what are we going to do to make sure that  
4 these points of communication are fortified  
5 so that they can withstand a lot worse than  
6 what we actually encountered?

7 MR. DELANEY: That is a very good  
8 point and something that we'll definitely  
9 follow up on.

10 LEGISLATOR BOSWORTH: Thanks so  
11 much.

12 CHAIRMAN NICOLELLO: Thank you.  
13 Do we have any further questions?

14 (No verbal response.)

15 Is there any discussion, public  
16 comment?

17 (No verbal response.)

18 All those in favor signify by  
19 saying aye.

20 (Aye.)

21 Any opposed?

22 (No verbal response.)

23 Those items carry. I apparently  
24 skipped over three items. Items 698, 699  
25 and 700 of 2012, resolutions to authorize

1 Finance Committee/12-3-12  
2 the transfer of appropriations heretofore  
3 made within the budget for the year 2012  
4 involving the Health Department and the  
5 Medical Examiner's Office.

6 LEGISLATOR DUNNE: So moved.

7 LEGISLATOR WALKER: Second.

8 CHAIRMAN NICOLELLO: Moved by  
9 Legislator Dunne, seconded by Legislator  
10 Walker. Do we have any questions?

11 (No verbal response.)

12 Is there any discussion, public  
13 comment?

14 (No verbal response.)

15 All those in favor signify by  
16 saying aye.

17 (Aye.)

18 Any opposed?

19 (No verbal response.)

20 Those items carry unanimously.  
21 Item 714 of 2012 is a resolution to amend  
22 resolution number 387 of 2008 as last  
23 amended by 308 of 2011 to designate  
24 newspapers to public and identify the real  
25 property listed by school district, et



1 Finance Committee/12-3-12

2 cetera.

3 LEGISLATOR WALKER: So moved.

4 LEGISLATOR DUNNE: Second.

5 CHAIRMAN NICOLELLO: Moved by  
6 Legislator Walker, seconded by Legislator  
7 Dunne. 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. May I have  
18 a motion to suspend the rules.

19 LEGISLATOR WALKER: So moved.

20 LEGISLATOR VENDITTO: Second.

21 CHAIRMAN NICOLELLO: Moved by  
22 Legislator Walker, seconded by Legislator  
23 Venditto. All those in favor of suspending  
24 the rules?

25 (Aye.)

1 Finance Committee/12-3-12

2 It carries. We have three items  
3 on the addendum. We'll take the first one  
4 first. 715 of 2012 is an ordinance  
5 supplemental to the annual appropriations  
6 ordinance in connection with the Department  
7 of Probation.

8 LEGISLATOR WALKER: So moved.

9 LEGISLATOR DUNNE: Second.

10 CHAIRMAN NICOLELLO: Moved by  
11 Legislator Walker, seconded by Legislator  
12 Dunne. Do we have any questions or  
13 discussion?

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 That item carries. I'll take the  
23 next two together, 716 and 717, it's a  
24 resolution declaring a capital budget  
25 emergency pursuant to Section 310D of the

1 Finance Committee/12-3-12  
2 County Government Law, and an ordinance to  
3 amend Ordinance 241 of 2012 adopting the  
4 capital budget for the year 2012 for the  
5 County of Nassau.

6 LEGISLATOR WALKER: So moved.

7 LEGISLATOR DUNNE: Second.

8 CHAIRMAN NICOLELLO: Moved by  
9 Legislator Walker, seconded by Legislator  
10 Dunne. Mr. May.

11 MR. MAY: We have Mr. Catolo and  
12 Mr. Muscarella from Nassau Community College  
13 to answer any questions on this item.

14 DR. MUSCARELLA: Chairman  
15 Nicoletto, Ranking Member Denenberg, Finance  
16 Committee Members.

17 My name is Joe Muscarella, Dr.  
18 Joe Muscarella, and I'm Vice President for  
19 Facilities at Nassau Community College. I'm  
20 here to make a brief statement on behalf of  
21 the item that you have before you today and,  
22 of course, would welcome any questions that  
23 you might have.

24 This item is an amendment to the  
25 capital budget ordinance for 2012. As you

1 Finance Committee/12-3-12

2 know, that ordinance was approved by the  
3 County Legislature during the week of  
4 November 19th.

5 In the weeks preceding that date,  
6 representatives of the college had spoken  
7 with Chief Deputy County Executive Rob  
8 Walker, and had supplied information to this  
9 body as well regarding our proposed  
10 modifications to that ordinance and to the  
11 capital improvement plan for 2012 through  
12 2015.

13 On behalf of the college's  
14 officer in charge, Dr. Ken Saunders, I want  
15 to express our deep appreciation to Chief  
16 Deputy County Executive Walker for his  
17 understanding of our situation and for his  
18 expeditious action in contacting the  
19 Department of Public Works and expressing  
20 support for our position.

21 It is our understanding that  
22 these modifications may well have been  
23 included in the ordinance that you  
24 considered during the week of November 19th,  
25 but, for the very very understandable

1 Finance Committee/12-3-12  
2 diversion of staff resources that took place  
3 in the wake of Super Storm Sandy and the  
4 subsequent nor'easter, I also want to thank  
5 the majority and minority staff of this  
6 legislature for being receptive to our  
7 suggested modification and for their  
8 understanding of the circumstances that  
9 bring us here today.

10 The cooperative spirit towards  
11 Nassau Community College of everyone in the  
12 county is something that we value greatly  
13 and that has produced real and positive  
14 changes to the face of the college.

15 Just one example of these changes  
16 is apparent to anyone entering the campus.  
17 They can see the new parking lots that the  
18 county along with our supporters in the  
19 state have made possible.

20 Simply put, it's nice to know  
21 that when our students come to the campus  
22 now, their first question can be, "what can  
23 I learn" and not "where the devil do I  
24 park?"

25 Briefly, as to the substance of

1 Finance Committee/12-3-12  
2 this amendment, it modifies the capital  
3 budget ordinance so that it more accurately  
4 represents NCC's capital needs. It  
5 reallocates funding that was provided in the  
6 2012 and 2013 years of the capital plan so  
7 that better reflects the college's  
8 priorities while not, I repeat, not  
9 increasing the county's 2012 capital  
10 commitment.

11 Moreover, this amendment  
12 allocates funds into college projects that  
13 have already have committed state matching  
14 funds. NCC has aggressively pursued state  
15 funding in order to provide 50 percent of  
16 the funds of these needed NCC capital  
17 projects.

18 We were very successful in  
19 securing \$19,860,000 in 2012-2013 for NCC as  
20 part of the overall SUNY capital projects  
21 plan. But it is critical that each of these  
22 projects appear in the county's 2012 capital  
23 improvement plan in some fashion or we will  
24 run the risk that we will lose the SUNY  
25 funding for them. The month of December is

1 Finance Committee/12-3-12  
2 when the finishing touches are put on the  
3 SUNY request for the upcoming year, and we  
4 are concerned that without the kind of  
5 county action we are asking for today, some  
6 of those dollars previously allocated to the  
7 college could migrate elsewhere in the  
8 upcoming state budget.

9 Nevertheless, we are, of course,  
10 sensitive to the county's financial  
11 position. That is why we have worked with  
12 Chief Deputy County Executive Walker and DPW  
13 on this amendment to reduce the immediate  
14 costs, thereby pushing the vast majority of  
15 those funds into the out-years of the plan  
16 and, along with that, providing only a token  
17 amount in 2012 to safeguard the SUNY  
18 dollars.

19 In fact, this amendment actually  
20 reduces, let me repeat that, reduces the  
21 2013 dollars to NCC by over \$2,000,000.

22 In conclusion, it is urgent that  
23 this amendment be approved this year in our  
24 effort to retain our SUNY funds. This  
25 amendment will do that and will allocate

1 Finance Committee/12-3-12  
2 funds to where they most match up with the  
3 college's immediate capital needs.

4 Again, thank you for your  
5 consideration and I welcome any questions  
6 you may have.

7 CHAIRMAN NICOLELLO: Thank you,  
8 Dr. Muscarella. Any questions? Looks like  
9 you covered everything. Legislator  
10 Bosworth.

11 LEGISLATOR BOSWORTH: Not  
12 particularly about this amendment, but I  
13 think that this is such a wonderful  
14 investment, not only in the county, but in  
15 the future of generations that will come  
16 here.

17 The fact that we were able to use  
18 the community college in such an important  
19 way during the storm as a shelter, as a  
20 shelter for special needs. Are those  
21 shelters still open or at this point have  
22 they closed?

23 DR. MUSCARELLA: Legislator  
24 Bosworth, the special needs shelter that had  
25 been operated by the county's Department of



1 Finance Committee/12-3-12  
2 Health closed about a week ago. There were  
3 just a few remaining people in that shelter  
4 and they were brought over to the Red Cross  
5 Shelter in the college's phys ed building  
6 which is still open right now.

7 As of last night they had about  
8 250 people in that shelter. Red Cross and  
9 all the county agencies, the Department of  
10 Health, Social Services, everyone is working  
11 towards getting that reduced down to zero as  
12 soon as possible. It's a monumental task as  
13 you know. A lot of people have been  
14 severely displaced here.

15 LEGISLATOR BOSWORTH: Well, an  
16 amazing effort on the part of everybody  
17 there, and, again, how fortunate we are to  
18 have such a special place in which we can  
19 house people who are in such great need.

20 So, have you kind of recovered  
21 from, you know, the rest of that challenge  
22 or, how are you doing?

23 DR. MUSCARELLA: Well, just as  
24 the previous discussion that you had here a  
25 few minutes ago, we're affected very much

1 Finance Committee/12-3-12  
2 the same way. We've we had fortunately no  
3 tremendous damage, we had a lot of downed  
4 trees. Some of them hit buildings. And we  
5 have incredible overtime costs, all of which  
6 is being documented. And the way the  
7 agreement with the Red Cross works is that  
8 anything that's expended by the college in  
9 support of the Red Cross Shelter, we get  
10 reimbursement from Red Cross.

11 If it's storm damage or overtime  
12 due to having to deal with the storm, then  
13 we go to FEMA for that.

14 LEGISLATOR BOSWORTH: Thanks so  
15 much.

16 CHAIRMAN NICOLELLO: Is there any  
17 public comment?

18 (No verbal response.)

19 All those in favor signify by  
20 saying aye.

21 (Aye.)

22 Any opposed?

23 (No verbal response.)

24 Those items carry unanimously.

25 LEGISLATOR DUNNE: So moved.

1 Finance Committee/12-3-12

2 LEGISLATOR WALKER: Second.

3 CHAIRMAN NICOLELLO: Motion by  
4 Legislator Dunne to adjourn, seconded by  
5 Legislator Walker.

6 All those in favor signify by  
7 saying aye.

8 (Aye.)

9 Any opposed?

10 (No verbal response.)

11 The committee stands adjourned  
12 and Rules is next. Ten-minute recess.

13 (Whereupon, the Finance Committee  
14 adjourned at 3:40 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 13th day of December, 2012.

-----  
FRANK GRAY