

Minutes  
Budget Hearing  
Public Facilities Committee  
Audit & Control Committee  
Friday, October 2, 2019, 9:00 a.m., Rm #331/333  
Mayville, N.Y.

Members Present: (P.F.) Hemmer, Nazzaro, Scudder, Gould (Absent: Wilfong)  
(A.C.) Chagnon, Muldowney, Niebel,

Others: Tampo, Dennison, Davis, Hansen, Borrello, Crow, Bentley, Zafuto, D. Rodgers, M. Westphal, Pantelis, P. Abram, Walsh, Cummings

Chairman Hemmer called the meeting 9:00 a.m.

Chairman Hemmer: We'll start out with an overview of what we're going to do today.

Mrs. Dennison: Chairman Hemmer, I think that you are the only one here who has not already heard my spiel this morning. My apologies to everyone else.

The binder in front of you start with the tentative which was released to the public last week. We in general will not use the information in the tentative budget because it's at the classification level, high level. High level totals only. The first section, the operation budget, does have the summary of all the funds, appropriations, revenue, and the tax rate. So we may be referring to that. We will also be using the capital budget tab which is right behind the operating budget so we'll be using that information this afternoon. So in general, we'll be working in the section behind the back divider with the tabs for each organization and we'll be focusing primarily on tab 25 for Public Facilities. What we have been asking the departments to do is walk through the budget summary which is the first document in the section. Generally skipping over the local share page and starting with the FTE changes which are on page 2 of the summary and then asking the departments to walk through the summary for each of their departments. There are again, totals of classification level, with commentary so like in reviewing the summaries and then referring to the line item detail that is behind the summaries when there are questions about individual accounts. You also have in the front of the binder, the 12 month rolling average information. I should say the 12 month actuals, July of 2018 through June of 2019 compared with the 2019 adopted budget and the 20' proposed budget. There are also the financial cash flow projections that we reviewed yesterday.

Just to give a couple overall highlights of the budget, there is no increase in the tax rate as you have heard from the County Executive's presentation last week. There is approximately \$1 million dollars use of general fund balance and \$627,700 use of the DM fund balance. The base pay for the three different funds we're looking at today, A, D, DM, and also we'll be looking at the enterprise funds as well. Base pay includes increases for settled contracts which would be all in the Sheriff's organization and there is a 2% increase for managers. The base pay does not include any increase in base pay increase for CSEA 6300 because the contract isn't settled or for the Corrections unit. There are step increments in here. I also wanted to say a couple comments about health insurance. All departments have been challenged by increased health insurance costs. We are looking at in the A, D, and DM funds, a million dollar increase in the 2020 budget

over 2019. That is due to an increase in health insurance rates of approximately 6%. It's also due to some employees migrating back to the traditional PPO plan from the high deductible. We also have an increase of \$500,000 in the health insurance surcharge. Largely due to a preponderance of retirees. A lot of them are taking a cash out instead of the health insurance. The last comments under the benefits section is, when you look at your line item detail, retirement is now budgeted as one item rather than budgeted by all of the individual tiers. So you'll see actuals in prior year budgets all split out and in the 2020 budget is all one lump sum. That is our overview.

Chairman Hemmer: Any questions about the overview from anyone?

Mrs. Dennison: I had a few questions a couple of days ago but they've asked them already.

*(Bentley, Zafuto, D. Rodgers, M. Westphal, Pantelis, P. Abram)*

Mr. Bentley: If I could ask for a little bit of a variance already this morning. I'd actually would like to go back to the local share summary just because my department is so large. I want to give an overall synopsis of kind of what I did this year.

Last year George Spanos presented the budget, developed it, and I inherited it so I had to deal with the stuff that he created. So this is of my own doing with a vast *(inaudible)* of my managers and I actually took some opportunities to do things a little bit differently than we have done in the past. So, I want to kind of highlight some of the things just from the summary page. Obviously, the overall local share shows a decrease of \$277,000 or 4.8% for the overall DPF. Our biggest decrease the no additional funding of the, "Complete Streets" out of the capital. So that was \$850,000. Our biggest increase was funding for salt purchases adjusted to last year's winter buying levels. *(Inaudible)* is now \$2.46 million buying versus \$1.66 that was budgeted last year *(inaudible)* budget numbers.

At the airports, we are budgeting for ES service at Jamestown and also we have some increased maintenance to spruce up the place. Along with Dunkirk, at the Dunkirk airport, within last year's budget, George had a lot of cross allocations which I think they developed over many, many years. Five percent allocated here, 10% allocated here, 20% allocated here, I personally was having a hard time figuring out what the true cost of each division was with all these cross allocations because I couldn't figure out if that work was actually being performed or not but it was being budgeted. So I took the opportunity to eliminate all the ones that didn't make sense to me. I left in the ones that I could say, these people are actually doing the work and should be allocated. So there are some left in there but you'll see as we go through the detail, I've done a lot of unwinding of a lot of 5% that I – it was muddying the waters so I couldn't understand what it would cost in the expense equation on this. So along with that, one of the major impacts was, we use highway guys to plow the runways at the Dunkirk airport. I think we ought to know the true cost of Dunkirk Airport. So I asked Ron to put together a budget based on no highway support and we'll go through the details of that.

Along with that, one of the other bigger things was getting an FBO at Jamestown and Dunkirk. Right now we have CREDC running Dunkirk airport and that revenue kind of flows to the County. If we get an FBO, it's not unreasonable to assume that they should be getting *(inaudible)* the revenue. The County will still get a share of it but it will be a much lower share and so we've decreased the revenues under that. So when you look at the Dunkirk airport, you'll

see a higher local share but a lot of that is due to the decrease in revenue projections. We'll go through the details though.

The other thing is, I'll just say there continues to be a need for infrastructure maintenance spending on our roads and bridges. I had put in an extra \$400,000 to the County Executive. He took that out. I would ask the Committee here to consider reestablishing that. The \$400,000 is based on what we project we need next year. Obviously things have changed but, I look at the service levels that we provide and I want to make sure we're maintaining our roads and bridges appropriately so as we go through that, that's probably my one big ask of today, is to consider that request. Any questions on the overall?

Mrs. Dennison: I have a comment if I could Mr. Chairman. Just to clarify too, looking at the local share summary, another thing that drives the decrease in the local share is that there is a bigger transfer from the "A" fund into the "D" and "DM" funds.

Mr. Bentley: You're stealing my thunder. That was the ending shot at the end of this.

Mrs. Dennison: So when you look at the summary and it's a little bit skewed because those transfer, they are expenses to the County as a whole but they show up as revenues here.

Mr. Bentley: So, if there are no questions, I'll jump to the FTE page. Net FTE's are up 2.94. We're doing a lot of adjustments this year. We have a lot of stuff going on but the first position was an engineering aide, hired in Engineering and this was a position that was hired in 19', so the employee is here. They are allocated to 50% to Parks and 50% to Engineering and they are primarily working on capital projects so they are basically a funded position because we're looking at the bathroom at Luensman, the bridges (*inaudible*) maintenance up there as well as highway road projects and design. One of the things that I found is that, our engineering staff was a little bit behind in getting stuff designed so we're starting projects later in the year. So we're trying to get a better head start and so this additional half of an FTE will help that assistance as well as we can charge it to capital.

The road maintainer, that was hired in the highway, was hired in 2019 and this position – I'm going to back up a little bit, I had an opportunity to reorganize the Parks Department since Ron Almeter who was the Airport/Parks manager, I've dedicated him now solely to the airport. He was probably allocated 25% but he probably had about 5% time to spend on it. My one lone Parks employee quit and took a job within the (*inaudible*) department so I had one manager that was allocated 25% and working 5% and the employee that was doing all the work, left. So, that basically allowed me to start the ball from scratch. So I moved the Parks position which was the Labor Supervisor to an RCS, 1 position, at Falconer, and I put a road maintainer at 50% underneath it so that we had some resources to go to that. In addition, that road maintainer is going to be able to plow roads in the winter. The way I'm paying for that is through retirement (*inaudible*), I'm having a lot of that right now.

The next one is the mechanic one at CARTS in Sheridan. They were hired in 2019. This came about because we had a retirement of a Mechanic II in Jamestown and we were able to split the position in two parts and keep the cost just about the same. The benefit there is, now we have a dedicated CARTS mechanic up in Sheridan. They don't have to drive the busses all the way down to Jamestown. It's a cost savings, it creates a better organizational functionality within the mechanics up in Sheridan but mind you, everybody is working together still so if there is a

point in the day where if somebody is not working on a CARTS bus, they will work on highway stuff and charge appropriately and visa versa. If that mechanic needs help, they will bring someone on board from the Sheridan shop and help the assists with the CARTS bus. It's really worked out to be a very big benefit to the CARTS system to do this.

The other positions is, the two maintenance mechanics at Jamestown. Again, that's partially for the ES service and again, (*inaudible*) who was also used to plow up there so there was Parks/highway support that need to go up there so I asked Ron to put together a budget, if he had to live on his own, what does it look like? So, we incorporated EAS, we incorporated highway and parks support, we also incorporated, there is also some maintenance activities that need to go on, we're going to give to EAS. If you've ever been in there, the carpet (*inaudible*), so we've allocated some money to kind of spruce up the place for maintenance activities. These maintenance mechanics would also plow in the winter, the runways, mow in the summer and address the maintenance issues within the buildings. So it's really allowing it to be self-contained.

Basically the same message that Dunkirk airport, the one that we positioned there. Again, those two do that and along with that, we eliminated and the ones below, the seasonal hires that we normally hire. So the seasonal positions come out, they go to a permanent hire, again, I think the quality of (*inaudible*) services is much improved. The other decreased position was the purchasing agent. Moved the position over to Kitty's organization to support the centralized purchasing efforts so that was accomplished in 2019. We're asked if we could eliminate a position within the DPF and after scrubbing everything, there was a cleaner position that was not filled at the time and I made the conscientious choice to offer that up instead of taking someone off the road plowing. So, Drew and I are trying to work together to figure out what the impact of this (*inaudible*) schedule are and maybe somebody waste basket doesn't need to be cleaned out every night, maybe some don't get vacuumed every night, there will be impacts to it but I think if I had to choose one, that would be the one versus taking a plow guy off the road. I'll say I'd rather not done that at all but, you're asked to do something and you do it. We'll deal with the effects with that. So, with all that, our net up is 2.94. I believe that's reasonable for what we are doing. Any questions on that?

Legislator Chagnon: Brad, Parks. Your FTE's go up by .48 and your .1 dollars in Parks do down. That is a good trick.

Mr. Bentley: I am very good, however, I would just say that it's – we're funding the position through capital allocations so these guys are working in capital, so that's marked there and as we go through the detail, there was something unique about the Parks with the fringe (*inaudible*). It's really a capital allocation.

Mr. (*Unknown Speaker*): It was increased significantly for 2020. Last year was the first year we even put any capital allocations into the Parks.

Mr. Bentley: Because I had a manager that worked 5% of the time and an employee that was doing maintenance activities. He didn't have the opportunity to work on the bathroom, really do the capital improvements to the bridges.

Legislator Chagnon: So you are allocating part of the salary and benefits from Parks to capital?

Mr. Bentley: Yes.

Legislator Chagnon: Thank you.

Mr. Bentley: And we do have a little bit of a war chest of capital. It will get used up but I do feel overtime and actually just talked to Jay this morning about some oil and gas lease stuff that may be coming in and I'll also have to refund it going forward too. But I feel at least I have four or five years of being able to work on capital projects and be able to maintain our current allocations without any changes.

Legislator Chagnon: Are there any allocation to capital from any of the other sub-departments?

Mr. Bentley: Yes. There is a number of things that were unwound. I also took this opportunity to kind of right size. If we're doing capital work, we should be budgeting for that. So we took our best guess at what people would be working on. We are doing things more in-house. You see the parking lot out here, it's all done with in-house crews and we're charging that to capital. Where it makes sense, we're going to do it.

Mrs. Dennison: Just to add some information here. The department has always had allocations to capital projects. The allocation for the Parks is new, but the other allocations are not new.

Ms. Hansen: If you look at the payroll allocation, the 19 and 8900, for most of the DPF, I mean, in other departments we talked that that is what we used for vacancy but for them, it's generally a capital allocation.

Legislator Chagnon: Thank you.

Mr. Bentley: We're not trying to play games, we're trying to actually make it reality of what we expect to happen. So, I would just say that, Sam and I have had many conversations about what is real and what's not. What was in the budget, why it was there, why we need to change it. I didn't want to change it just to change it, I wanted to change it because we had a reason. I will go through some of the details. It was my best guess, I'll put it that way.

Legislator Niebel: Brad, roughly how much do you have in this capital allocation account that you use?

Mrs. Dennison: For the Parks, you are asking?

Legislator Niebel: No, just in general.

Chairman Hemmer: It's different capital accounts that he's taking money out of.

Mr. Bentley: So Parks has a capital account that is dedicated to Parks and highway has capital – as capital projects get approved, like the parking lot out here. We're allocating that to the highway department at this point. It wouldn't go to Parks.

Legislator Niebel: You mentioned earlier Brad that George had taken about \$400,000 out for roads and bridges, I guess my question is, could you use some of that money from some of the capital accounts to make up this \$400,000 or no?

Mr. Bentley: No, because it's maintenance. Unfortunately, I can't do that

Mrs. Dennison: Their revenue from the sale of forest products, the capital revenue is dedicated to Parks. Current value of that is \$235,000.

Chairman Hemmer: How much are we using this year?

Mrs. Zafuto: Forty seven thousand

Chairman Hemmer: That would be approximately what you would use until you –

Mr. Bentley: (*Cross talk*) had a timber sale as we announced that we combined with the airport, part of that was –

Legislator Nazzaro: That was separate from that right?

Mr. Bentley: Right but that revenue has to go to the Parks.

(*Unknown speaker*)..

Mrs. Dennison: In the Parks, \$47,000 in wages and \$32,000 in benefits.

Mr. Bentley: But we're also looking at getting revenue from the timber sales and actually looking at upping the lease agreement that might net us another \$25,000 a year. I'd be able to – I have enough in there to sustain us for a bit. Now that's just between Parks or is that Parks and Highway?

Mr. Zafuto: That's just Parks. The highway is totally separate.

Mr. Bentley: (*Inaudible*)... that's only 50% of the –

Mr. Zafuto: Oh yea, plus the engineer is 50% but some of that will be capital (*inaudible*)..

Mr. Bentley: I feel that I probably have at least four or five years to figure out what we're going to do once we get there and things will change by then. I feel this is (*inaudible*) and just not a one (*inaudible*)...

Legislator Nazzaro: So the major capital projects at Parks, is what? The bathroom –

Mr. Bentley: The bathroom, maintaining the bridges, the lean-to's, we're doing roofs on the bathrooms, so there is a lot of capital improvements. We had a drinking fountain that busted so we –

Mr. Zafuto: We're actually putting in some bigger access roads to get port-a-potties up the lean-to's so the public have bathrooms now.

Legislator Gould: I can't hear you.

Mr. Bentley: We're putting in port-a-potties. There is a lot of capital projects that have not been completed so we're going to be looking at doing that.

Legislator Nazzaro: So again, just Kathleen and Brad, so before - we do have capitalized labor, I know, built into your budgets but you had not done that in the Parks, or have you?

Mr. Bentley: Right because we didn't have the workforce to actually do the work.

Legislator Nazzaro: So you are increasing your FTE's, but you are allocating, to Pierre's point, your capitalizing some of the labor.

Mr. Bentley: Yes.

Legislator Nazzaro: Which is standard accounting practice.

Mr. Bentley: We do this with DPF.

Legislator Nazzaro: Which is the way it should be done.

Mrs. Dennison: Just to be clear, as Janelle pointed out, what I said wasn't entirely true about no (*cross talk*)..., the 2019 budget allocation to capital for Parks, wages and benefits, it's \$12,000.

Mr. Bentley: Because we started some of the process.

(*cross talk*)

Mrs. Dennison: And it's going up to –

Chairman Hemmer: In 2020, it's going to be \$47,000.

Mrs. Dennison: Forty seven just on the wages and with the benefits added, it would be \$79,000.

Mr. Bentley: Those are estimated, right?

Mrs. Dennison: Well, that is what we have in the budget. So roughly \$12,000. (*cross talk*).

*Unknown Speaker*: ... which may differentiate.

Mrs. Dennison: Yea, depending on who does the work and that definitely could change.

Mr. Bentley: (*Inaudible*).....

Chairman Hemmer: That does sound like it should more closely represent where the money is going.

Mr. Bentley: So we'll keep track of it but I think this is, again, I'm going to go back to the service level that we need to provide. I think having zero employees at the Parks is the wrong service level. Having an RCS1 Supervisor and half a road maintainer and half an engineer, is not too much to ask for a service level that – the other benefit that has really come about in this a I did expect it, was the organizational structure. The RCS1 reports to (*inaudible*) office in Falconer, he has a lot of resources. If these guys need help to do a job, we'll get a crew just like we are doing out here, get the job done. It just doesn't have to be just those guys. We'll bring them in, do our job, and we actually get more productivity and more efficiency. So if people have to ask for favors, like Ron would have to ask Mike, hey can you lend me some guys? Well, that would disrupt Mike's plan and Ron would never truly know if he's getting them because other – now Mike can plan his day, get more efficient use of the crews, so I think we eliminate a lot of the transitional and on planned worked aspect of it. I've seen a lot of benefit, just personally myself on that structure in succeeding. The work is getting done. I've heard from the Parks Commission members, they were hesitate about my plan but I believe they've all reached out to me and said, we really like what you are doing and it's really working. So that was a pitch for the Parks. If there are no questions, I'll move onto Engineers.

Legislator Gould: I have a question with Public Facilities. What is the difference between inter-fund transfers and inter-fund revenues?

Mrs. Dennison: Inter-fund transfers are expenses so they are transfers typically to capital funds, so it's an expense to the fund. Money spent. The inter-fund revenues are mostly - sorry, we've got inter-fund transfers, we have an expense and revenues so the inter-fund transfers on the revenue side would be the money from the "A" and the "DM" funds. Inter-fund revenues are not used very often but just an incoming revenue from some source other than the "A" funds. I will double check this \$10,000 and tell you specifically where that's going.

Legislator Gould: What it is. Thank you.

### **Engineers:**

Mr. Bentley: Under personal services, we did have a promotion of an employee, we have employee steps and the half an FTE that we just talked about. Under the contractual, we

eliminated a software package that we don't have to use anymore so it saved us a little bit of money. There is a decrease in the employee benefits because last year we used a fringe rate of probably 31% and now we're using like 68%, I believe. So when you use that higher fringe rate, it goes down.

Legislator Nazzaro: Sixty eight percent.

Mr. Bentley: I think it was low last year. This is a difference between a single person and a married with two kids person. Whatever was picked last year, was picked. I think 16% is more in line with what we do for the other divisions. The permit fees under revenue, we've moved those to maintenance of roads because they really should be going back to fixing the roads, much like the windmill thing. So it's a more appropriate place to put that. Any questions?

### **Buildings and Grounds:**

Mr. Bentley: Under personal services, as we talked, we did not refill a cleaner position. (*Inaudible*) decrease there. Under equipment, (*inaudible*) replace some cleaning equipment just so the employees can do their jobs. Under contractual, the lease agreement adjustments, the big increase there is the lease costs from, majority of it is from SCOB there are some other costs (*inaudible*) cost increases that we're built into the lease agreement so this is stuff already negotiated. Employee benefits are what employee benefits are and Ag Center, my expectation is that Cornell Cooperative will not be in the building next year so we did take the revenue out. It's a developing situation but I believe that's my current expectations, they won't be there next year.

Legislator Chagnon: Any update on the Ag Center?

Mr. Bentley: Nothing to publically announce. It's not in my hands.

Legislator Chagnon: Whose hands is it in now?

Mr. Bentley: Cornell.

Legislator Chagnon: Could you share with us what the plans for the building are if Cornell Cooperative Extension leaves?

Mr. Bentley: We have a couple of different options. I don't think that any decisions have been made so we'll start from there. Obviously the building was up for sale a couple of years ago. We thought that we were going to get rid of it out of the airport master plan so the option to sell the building is still on the table. I have done additional research help facilitate that if so desired. We can rehab it, reuse it. I currently don't have a use for it but, as things change, there is always that possibility. I don't want to keep it personally, if there is no use for it, we should get rid of it at some point or fashion. Structurally, I don't think it's worthy of a demo. I think it is a usable space, it just needs some TLC. It's not something that I want to invest County dollars in because if I wanted to be a landlord, I'm DPF, not a landlord. So I'd rather not be in that business if I don't have to be. The one caveat there is, if an essential air service does come to the Jamestown airport, there could be more activity up there, there could be more desirability to

space up there so we could actually attract additional buyers the more that comes about. I'm working on a number of fronts to make sure that I have all the details necessary to appropriate any of those options.

Legislator Niebel: So leasing is an option but not one that you prefer?

Mr. Bentley: Only because I don't have any fish on the line. If something magically appears and becomes attractive, I think just our base cost to run the place is about \$26,000 a year. We all know when the building becomes empty, it deteriorates faster so we want to make sure we're proactive in our approach in dealing with this.

Legislator Niebel: Granted, if we can't sell it, if we do have a lease option, we'd entertain that because we do have fixed costs, \$26,000 that you just mentioned.

Mr. Bentley: The other concern I have is, there are maintenance things that need to be done to that building. It's out of date electrically, there is some leaks in the roof, there's general maintenance upkeep that needs to be done to that. The heating is good.

Mr. Rodgers: New boiler.

Mr. Bentley: New boiler, but the air conditioning –

Mr. Rodgers: The air conditioning is the biggest thing that needs work. The roof is sound but it does need reinstalled from the inside. It creates poor drainage on the roof from melting snow and things like that.

Legislator Niebel: Electrical?

Mr. Bentley: They have kitchens but there is no GFI's. If we were really to lease this space, there is some overall things that need to be done to this to get it up to code, that I would recommend.

Chairman Hemmer: We lease most of the rest of our office space. That seems to be the best rather than owning. For instance, we sold the South County Office Building and now we're leasing it, so that's working for us, right? The leasing?

Mr. Bentley: I will go yes or no. Depends on the lease terms. I'll say that some of our leases were – could have been set up better. The terms and conditions like we're responsible for some of the maintenance stuff at SCOB that I would say, probably shouldn't be there. We'd just rather have the owner be responsible for everything. Instead Drew and I have to deal with heating, cooling issue. When there is an infestation, we're the only ones having to call the services so it's a little bit too much of a mixed bag for me, if you ask me. So depends on the lease terms whether they are good or not and some are better than others.

Chairman Hemmer: Is that something you can renegotiate in the future or is that a long –

Mr. Bentley: SCOB is a lot like a 5 year –

Mr. Rodgers: It' a 10 year lease.

Mr. Bentley: I would like to see if we could do something with that but maybe in the future. Not for this year's budget, although, on the radar. Any questions on Buildings and Grounds?

Legislator Gould: You've got some cleaning equipment you want to replace. We didn't do anything in 18' and in 19' we did \$7,000 and in 2020 you want to do \$8,000. Why didn't we do any in 18'? It looks like you replaced it in 19' and now you want to replace it again. I'm sure you want to talk about that a little.

Mr. Rodgers: We replaced some of the equipment in 2019 and the request for 2020 is just to replace what wasn't replaced in 2019. We hadn't replaced cleaning equipment like the floor scrubbers, carpet extractors, things like that in a number of years. So this is to get all of that equipment replaced and we won't be asking probably again for another number of years for new cleaning equipment.

Legislator Gould: Can't we do a little bit every year rather than all of a sudden have a big figure and one year have it zero?

Mr. Rodgers: We could.

Legislator Gould: That's micromanaging and I shouldn't be doing that.

Mr. Rodgers: They are kind of larger numbers but it's for two pieces of equipment, is what it kind of boils down to. It's just the larger cleaning equipment. It doesn't get used all the time but enough that you do have to replace it when they start getting old.

Legislator Gould: Do you still clean at the Ag Center?

Mr. Rodgers: No.

Mr. Bentley: What does a floor scrubber go for?

Mr. Rodgers: It depends on what size and what the (*inaudible*) of it was. I've got the (*inaudible*), I just don't have it memorized.

Mr. Bentley: It's less than \$7,800. Any questions on Buildings & Grounds?

### **Airports**

Mr. Bentley: Again we talked about the FTE positions for various reasons, ES maintenance and also plowing the runways and moving in the summer and any FBO changes. Changes in allocation – going to jump ahead to our admin a little bit. George Spanos had

allocated the Director's position to different divisions. Trying to figure out how much time he spent on one, it was just a guessing game, so I brought that back into the admin part. Sam was charged (*inaudible*) there, -

Mr. Zafuto: At the airport we had MEO's for the highway being charged there, we had .2 of a mechanic going to the airport, we have .18 of a MEO, we had all kinds of mixed up going in there. Purchasing all this stuff was going to the Jamestown airport and now it's just based for the airport staff.

Mr. Bentley: So I've asked the Jamestown airport, what does it look like for you guys to live on airport instead of being subsidized by the other departments that are – or being (*inaudible*) by the other departments? So, we've really removed that and the net of that affect is \$44,000. We did have a promotion with the Assistant Airport Manager, Brian Bates. Contractual, again, we're going to do a little increase in the building maintenance and also part of this is the in-kind services to support EAS, (*inaudible*), more the marketing side. Employee benefits, again, that is associated with that. One note about the FTE's, that we're in the first page, that I did not mention. We have them basically allocated starting in May so that's only 2/3<sup>rd</sup> of the year in this budget. So we're not hiring January 1<sup>st</sup>. We would be expecting to be hired the same time we'd expect the EAS to come in. So, they are not full year FTE's in this year's budget. Under the revenue side, departmental income. Again, we talked about, we know Lou Nalbone is going to be exiting the FBO, we're going to get a new FBO. Ron believes that \$80,000 is a reasonable expectation of County revenue with a new FBO operator. Again, that can all change with varying increases. Did Ron put the new hangar in there?

Mr. Zafuto: No, he did not.

Mr. Bentley: So there may be some additional opportunities for them.

Mr. Zafuto: That would be dependent upon when that hangar is built.

Mr. Bentley: Again, remember the hangar kind of came after (*cross talk*). Not to bring up a sore subject, but I will.

Legislator Chagnon: You already did.

Mr. Bentley: Already did but the hangar approval really didn't come in until after these numbers were put in. These were put in before August. So there could be opportunities for changes here.

Legislator Chagnon: What is the status of the FBO?

Mr. Bentley: We're currently developing the bids for both Dunkirk and Jamestown? Lou Nalbone has issued his notice to vacate the FBO so that's in writing.

Legislator Chagnon: As of? January 31<sup>st</sup>?

Mr. Bentley: Yes.

Legislator Chagnon: What happens if you don't have an FBO on January 31<sup>st</sup> to replace him?

Mr. Bentley: I'll say probably not a lot of good things but we're going to have to find a way to manage it. Our goal is not to be in that position but, we do have CREDC who took over at the Dunkirk Airport. It will put us in a bind so we're actively, Ron's actually getting training on the fuel tanks or else he would be here. He has been in contact with actually a number of interested parties that would take the FBO. So we actually already have people that have inquired and reached out.

Legislator Nazzaro: For both airports?

Mr. Bentley: Well, interesting enough, they are kind of different operations so we actually have different FBO interest in the different airports. Now, if someone big comes along and wants to do both, we'll entertain that as well. Right now the bids being developed and written and under review. As I said, we'll entertain separate or both together whatever the proposals may be and our goal will be to get this thing hammered out soon.

Legislator Nazzaro: You don't have a lot of time.

Mr. Bentley: No, we do not. That's why Ron has been in contact, he's probably been in contact with some folks probably for the last month and a half as far as their interest. Gage what they are looking for, give them a shakedown of the airports, some of them are local or near local. But yea, not much good will happen if we don't get an FBO operator.

Legislator Niebel: So our contingency plan is, if we can't find somebody –

Mr. Bentley: The County would have to take it over or CREDC or some organization.

Legislator Niebel: You are making contingency plans to do just that if we have to?

Mr. Bentley: Yea, if we have to. We can, just like CREDC, we have a Duke Johnson that basically gets called in. We'll probably have to do a little something more so whether it would be a temporary hire or some additional - we'll have to figure out who can work on it. Right now, I'm comfortable with what Ron's been telling me that we have fish on the line so it's not that – we're just hoping that someone responds to the RFP that we're going to put out. I think we know we're going to have some people that want it. It's just the agreement of the terms and conditions which is a better place to be.

Legislator Gould: Is there any movement on the restaurant?

Mr. Bentley: Believe it or not, the same people that are interested in the FBO, have expressed interest in the restaurant. There are some people nosing around.

Legislator Chagnon: Could you give us an update on your expectations for the EAS, Essential Air Service?

Mr. Bentley: I invited Mr. Borrello to maybe speak on this because he has a lot more inside information.

County Executive Borrello: We recently resubmitted our proposal to the US Department of Transportation. This new proposal has a revised business plan. As you may know, we were able to garner some significant support from local businesses and organizations to create kind of a quasi-local share and we really had some people really step up. Now we have received notice that they filed the application and they are looking for, it's a comment period, is the best way to say it. So we're asking folks to provide more support by commenting to the Department of Transportation in the EAS office, that this service is needed. But so far, with the application that we put in and the changes that were made, adding for example, BWI as an airport location as well as Pittsburg. So now we have two destinations and seasonal schedule, all the other things we know are dramatically different than the previous service that we had. Preliminarily, this is going to be positive results, positive reactions from Department of Transportation.

Legislator Scudder: What was the other one, BWI?

County Executive Borrello: Baltimore/Washington International, BWI.

Legislator Scudder: Flying to Pittsburg and Baltimore?

County Executive Borrello: Yes, so you'll have, I don't have it here, the schedule, there will be, I can't remember how many scheduled flights a day but, it's to both Pittsburg and Baltimore.

Legislator Scudder: Not to Pittsburg to Baltimore?

County Executive Borrello: No. No, direct from Jamestown to Pittsburg and direct from Jamestown to BWI. This is the result of the survey when we spoke with businesses, we had those meetings to what their top two destinations would be that was within the scope of what Boutique could accommodate. Those were the top two.

Legislator Chagnon: When would you expect a decision from the Department of Transportation on the EAS?

County Executive Borrello: Well, based on the last time, it took them 9 months to give us an answer. I hope that it's going to be a lot faster than that. I think, because this is a reapplication and in general, this is kind of breaking new ground, even for them, so that makes it a little bit unpredictable but I would have to say, I'm hoping by the end of the year we'll hear something. There are some kind of – now they are going to get into the fall in November, it's my understanding that they will be looking at reallocating funding in their budget so that timing would probably work in the fall some time, November/December, then make a decision. Just based on the reallocation of their budget.

Legislator Chagnon: So if they make a decision by the end of the year, how long would it take to implement air service at the Jamestown airport?

County Executive Borrello: Boutique has told us at least 60 to 90 days to be up and running. Then of course at the same time, we would have to get TSA back in there which we're told is probably right around the same time frame. They have to get equipment in, security clearance equipment, and all of that. So if you were to, hypothetically say January 1<sup>st</sup>, that means that we could be up and running in the early spring.

Legislator Chagnon: In the budget there are obviously additional costs for the return of commercial air service to Jamestown airport. Are those costs, are those expenses based upon a full year or a partial year?

County Executive Borrello: Partial year. We've figured what, April?

Mrs. Dennison: May 1<sup>st</sup>.

Mr. Bentley: For the personnel.

County Executive Borrello: So we've already accounted for not having a full year of service next year in the budget.

Legislator Chagnon: Do we know what those additional costs come to?

County Executive Borrello: As far as the net cost, it's in the budget but there are some offsets in there. Once we have commercial air service, that also changes, as you are aware, the local share for things, so that's kind of an offset. Instead of 5% it becomes 2 ½% of our local share costs for capital projects.

Legislator Chagnon: I would assume there'd be a schedule of that that would say, o.k., here is the additional costs, here are the offsets, here's when they would kick in and so forth.

County Executive Borrello: And we did that calculation as part of the reapplication process when we were talking about what we would contribute as local share. You could do that analysis. We don't have it as part of the budget per say here.

Legislator Chagnon: Can we get a copy of that?

County Executive Borrello: Yea, is that something - well, between Ron Almeter and Kathleen, we should be able to get that analysis onto a sheet of paper for you.

Legislator Chagnon: If we could have that by Friday afternoon that would be great.

County Executive Borrello: Can we do that?

Mr. Bentley: I'm going to complicate your life a little bit. Unless I misunderstood the question, when you look at the 19' budget versus the 20', because I'm unwinding some stuff, calculation gets a little complicated because you can't compare apples to apples what that incremental is year over year. This is one of my problems. Is that what you are asking? Is the net increase?

Legislator Chagnon: I want to know what the additional expenses and offsets are as a result of essential air services being included in the budget? So I don't want your unwinding's.

Mr. Bentley: Well, because of what's happening is, while we're adding the two FTE's, we're getting rid of a seasonal in Jamestown so there is that offsets in there.

Legislator Chagnon: That has nothing to do with the essential air service.

Mr. Bentley: Well, actually it does because –

Legislator Chagnon: So then the portion of that that relates to essential air service is what I would like to see then.

Mr. Bentley: Because the employees are used for plowing the runways and instead of having – without essential air service, they are not doing it early in the day and late at night to accommodate the schedules. We need those additional employees to provide that, almost around the clock service, if you will.

Legislator Chagnon: I would assume that was included in the analysis that was done.

County Executive Borrello: And it was and I think just to kind of, I guess, cut to the chase, when we did this, we basically said, when you look at everything globally, then that additional expense to the County was essentially zero. In other words, we were only giving whatever we would not have received without the essential air service, if that makes sense. So we did do that analysis as part of this presentation. Now it's just a matter of trying to pull that all together for you so we'll have to see if we can do that. But the whole concept was, technically wasn't going to cost the County any money. Now we also did figure in timber sales and things like that so that there was a no net budgetary impact, I should say. It's certainly going to cost additional money but we had offsets for each one of those to kind of net that out to zero.

Legislator Chagnon: That's the detail that I would like to see.

County Executive Borrello: And that's information that we have as part of this initial analysis, we just need to pull that all together.

Mr. Bentley: For the number of flights, 20 weeks during the summer months basically, 30 nonstop round trips, 18 to Pittsburg and 12 to Baltimore. During kind of the off season if you will, 24 round trips with 12 to Pittsburg and 12 to Baltimore. The other thing that Boutique said is, if they see additional demand, they would be more than willing to increase those.

Legislator Nazzaro: Those numbers (*inaudible*) what?

Legislator Scudder: They are for the whole 20 weeks.

Mr. Bentley: No, that's per week for 20 weeks.

County Executive Borrello: Those are weekly 30 non-stops.

Mr. Bentley: Any other airport questions for Jamestown?

Legislator Nazzaro: Observation and I know that you have done a lot of unwinding and I don't want to go down a deep path with a discussion of the airports (*inaudible*) the budget but, just to maybe put it in perspective because of what you've done and more to say, what would it cost to run these airports, truly cost doing it on your own, it sounds like that's what you've told (*cross talk*).

Mr. Bentley: The part that is not in here is what George mentioned is the capital piece. So that offset is not in there.

Legislator Nazzaro: So obviously what has happened now because now we have maybe truer picture, more accurate picture, the local share now has gone up to run these airports.

Mr. Bentley: True.

County Executive Borrello: Without those offsets from the capital budget, that's the net. So, it's gone up but again, without the essential air service, we'll pay that higher price for capital projects that are already allocated. I know that it's different pots of money, but, yea, -

Mr. Bentley: It's still money that's coming out of our local share.

County Executive Borrello: And something that is not on here is the economic impact of having that. The airport is not going to close so the question is, can we have a better economic impact and overall, which is something that is not as easy to quantify but when you look at all the businesses that stepped up to support this financially, they see the economic impact benefit of it. So that to me, speaks volumes to the need.

Mr. Bentley: And we do have a large number of high dollar capital projects that need to be done, runway improvements, fence improvements, these are not going to be cheap on the local share so we need that, that 2 ½% is meaningful. It's not just a percentage, it's real dollars.

Legislator Nazzaro: Not only for Jamestown (*cross talk*)...

County Executive Borrello: Correct.

Mr. Bentley: But the runway is at Jamestown, fence improvement is at Jamestown. This is meaningful dollars. John knows.

Chairman Hemmer: Big dollars and it is good that we get to see a better clearer picture of what these airports are costing the taxpayers of Chautauqua County and better to have that knowledge.

Mr. Bentley: I want full transparency. If I can't understand it, I can't explain it. I felt this was my kind of only avenue to figure it out was to really take a hard look at it and say, here's the real cost because I'm trying to explain to you a .5 or a .18 or point whatever, it's mind numbing.

Legislator Scudder: So according to this sheet, we're going for \$694,000 for the 2 airports to \$1,084,000 local share?

Mr. Bentley: Now, a part of that is revenue at the Dunkirk airport. It's just not on the expense side, it's on the revenue side. You have to do both sets of the equation. At the end, this doesn't factor in the capital decrease local share. You just can't take it in a vacuum, you have to piece it all together is what Pierre is asking.

Chairman Hemmer: It's very expensive to run airports.

County Executive Borrello: If we could rewind the clocks 30 or 40 years, I don't think any of us sitting around this table would have agreed to take over those airports but we are where we are.

Mr. Bentley: I found the resolution where the County took over the airport in the City of Jamestown, in 1970, so if you want to blame somebody, go find the names on the resolution.

County Executive Borrello: It's unfortunate that the way the system is set up, is that, it's not something that you can just hand back or even close. It's like a disease that you can't shake in a lot of ways. You can manage the disease as best as you can. Again, I think the airports have benefits so I think disease is the wrong term but at the same time the airport has benefit and since we are stuck with them essentially, we need to make the best out of them.

Legislator Scudder: We need a cure.

Mr. Bentley: We need to optimize the value of it and (*inaudible*) ... Chautauqua County. That is what my aim is right now but until told otherwise, I think we're going to try to make this thing the most efficient well performing group that I can, understanding the costs and understanding the revenues and just figure it out. So that we're actually providing the best local service we have with the asset that we have and have to maintain. With that, I'll go to Dunkirk. Again, we talked about the FTE increase and that was partially due to getting rid of the highway subsidy to that and also elimination of a seasonal so you add an employee, get rid of a seasonal, but you are also getting a resource back onto the highway to plow the roads that was just sitting up at the Dunkirk airport ready for snow to fly. The other thing is, there is a lot of maintenance for those on the Airport Commission that toured Dunkirk, are previous FBO operator left that place in a bit of state of disrepair, I'll put it nicely.

Chairman Hemmer: As he's doing in Jamestown.

Mr. Bentley: So the maintenance mechanic that we're hiring there, we're going to have that maintenance mechanic also perform the increased maintenance that we're seeing so we're going to have that person working hard, correcting the things that need to be corrected. Again, change in allocations. Part of the promotion that I talked about, this is an Airport Manager that is splits his time between Dunkirk and Jamestown. Contractual, again, we have a little bit of an increase in the Buildings & Grounds maintenance to do that work. The employees benefits, they are what they are. The big change here is on the departmental income. We're going down \$128,000 because CREDC is now doing it with one employee that gets called in to run a real FBO operation, is going to require a little more resources to do it correctly. So Ron's adjusted the revenue to get that in there so we don't have to keep basically - what happens if we don't get an FBO? This happens. We take it over and we just try to manage it to get by. It's not a very good way of doing it. This is what Ron believes would be the reasonable revenue amount to expect from a new FBO operator.

Legislator Chagnon: How long as CREDC been operating the Dunkirk airport, the FBO?

Mr. Bentley: Over a year and a half.

Legislator Chagnon: So in 19' we're projecting \$120,000 of revenue?

Mr. Bentley: Yes. Again, we have one employee that basically gets called in and Ron is donating his time, he's getting a \$1.00?

Mr. Zafuto: He's paid a \$1.00 a year, basically.

Legislator Chagnon: So if we bring in a new FBO, then the revenue that we're generating through the CREDC operation would be decreased by \$120,000?

Mr. Bentley: I'll just put it this way. If we keep going the way we are, CREDC is going to quit and probably Ron here will quit. We're doing it because we have to do it, not because we want to do it.

Legislator Chagnon: What was the FBO contributing previously?

Mr. Zafuto: Dunkirk Aviation?

Legislator Chagnon: Yes.

Mr. Zafuto: That was about \$40,000 a year for Dunkirk.

Legislator Chagnon: So we're making three times that much under the CREDC operation? We're realizing, we're netting three times that much?

Mr. Zafuto: CREDC is not charging for their administrative service time either though so that number, it's their personnel, they are doing the P&L's and everything else, it's not being reflected in what they are showing.

Mr. Bentley: Which is why they are not reflecting their true cost to this revenue.

Legislator Chagnon: Right, that is what I was trying to get to.

County Executive Borrello: It was supposed to be a temporary situation and certainly having them take on a load in Jamestown, if it comes to that, would have to be a temporary situation. It is nice to realize that revenue but it's temporary revenue in a sense.

Legislator Chagnon: It's not sustainable is what you are saying.

County Executive Borrello: Yes.

Legislator Chagnon: Compared to what it was, it's three time higher than what it was under a real FBO and so what Ron is suggesting is that with the new FBO, it will be half of what we were realizing previously.

Mr. Bentley: Again, this is just a budget number until we have the actual terms and conditions. This could be \$40,000, this could be \$60,000, could be \$10,000.

Legislator Chagnon: I understand.

Mr. Bentley: It all depends on the bids that come in, the interest and what assets are (*inaudible*).

County Executive Borrello: There's also another part of this too. We have seen an increase in business in Dunkirk. We have people coming in from Wells Enterprises now that utilizes the airport, we have more people stopping for fuel, we've got the crop dusting company that's operating out of Dunkirk now, we are increasing the footprint there which also makes the FBO –

Legislator Chagnon: More profitable.

County Executive Borrello: Exactly. So those are things that have happened under CREDC's operation at the airport. This was the plan from the beginning. How do we make this a better alternative to Buffalo with the increasing costs of basing an aircraft in Buffalo. We're relatively close distance wise and more affordable alternative. So, that part of the plan is working and also will help make that FBO operation more attractive to a company's.

Mr. Bentley: Well's has been significant. They are flying in there very routinely and they are asking for heated hangar space. I think Ron just finagled a way to get them into a hangar and we pay a daily (*inaudible*). They may not base the jet out of Dunkirk, but they are buying our fuel and for the hangar space. All it takes is a couple of these businesses and it really adds to the footprint and the revenue in the operation. Athenex is going to be right there. We've heard from Wells and said, one of the thing that attracted them is that they could fly in to one of their operations, go in look and fly back out or stay overnight. It's impactful, it's meaningful for them. That is just one business, not to mention everybody else that uses the airport. If Ron was here, he

could probably spout off the number of jet operations – we saw a lot of jet operations at both Dunkirk and Jamestown this year. So, business is not where it should be but certainly not at the bottom where everybody thinks it is. We're seeing an upswing not a decrease right now.

County Executive Borrello: Quite honestly, if you want to increase business at Jamestown, we need to extend the runway which we did in Dunkirk. What is stopping us from having jets year around in Jamestown is the length of the runway. The runway is, by pilot safety standards, especially commercial safety standards, is not long enough for winter time to accommodate for the extra stopping distance that you need on a slippery runway. So that's why Cummings only keeps their jet there part time. They would be happy to keep it there year around but they move to Erie because the runway is not long enough in Jamestown. So, again, nobody wants to hear this because it's a very expensive undertaking but, extending the runway in Jamestown would lead to more business. Just like it has in Dunkirk.

Mr. Bentley: Believe it or not it's not the landing, it's the take-off. Because if they abort the landing, they need to be able to stop.

Legislator Chagnon: Hard to extend the runway when your airport is on top of a hill.

County Executive Borrello: Yes it is.

Legislator Chagnon: It's a lot easier in Dunkirk where you are nice and flat.

Mr. Bentley: There are some options but it's –

Legislator Chagnon: Expensive.

County Executive Borrello: Yes it is. More complex and more expensive.

Mr. Bentley: Even more with out there, we can EAS service. The planes are beautiful planes. (*Inaudible*) pressurized, not a puddle jumper that goes 10 feet off the ground. With the coach air, United/American, you can buy the ticket on Expedia. If you want to go from Jamestown to Orlando, book it on Expedia. One ticket.

Legislator Scudder: Why did we extend the –I don't remember voting for it but why did we extend the Dunkirk airport. Was that an FBO pressure?

County Executive Borrello: No, well actually there was that FAA grant which we had a very small percentage of, but it was in response to the fact that we had people that wanted to base their aircraft but they could not.

Legislator Scudder: Oh, we had a guy that was buying some big jet.

County Executive Borrello: Jerry (*inaudible*) from –

Legislator Scudder: Sales tax promise –

County Executive Borrello: Yea, remember that. We had a huge spike in the sales tax because he did base the jet in Dunkirk. The only way we were able to do that is to extend the runway and he's still there. He's uses that jet quite a bit.

*(Cross talk)*

County Executive Borrello: There is a company called Ascent Striping out of Hamburg and they do like road striping. Commercial stuff.

Chairman Hemmer: Any other questions on the Dunkirk or Jamestown Airport?

Mr. Bentley: O.k., moving onto CARTS.

**CARTS** – *(Westphal)*

Mr. Bentley: I'm going to start off with some accolades before Michelle. Michelle has been a pleasure to work with. Her and her team seems to be the most flexible and most dynamic and the most customer centric part of the organization. She has to deal with a lot of problems and a lot of issues. We have part time drivers, it's constant turn – if there is anything that makes the highway division look like it's stable, it's you. That's is saying something but along with that, you've embarked on a lot of efforts and George has been a tremendous supporter of what we're trying to do in enhancing the service, enhance the visibility, really respond to the customer's needs. Along with that, this budget includes and I didn't put it on here, Michelle yelled at me yesterday for forgetting it, is that, this includes our permanent Saturday service effort. We have runs Monday through Friday since the beginning of time. We were able to figure out a way and I'll give Michelle like 95% of that re-statement there, of how to do this and do it cost effectively. I'll give the number and correct me but, we're essentially providing the service in 2020 for a net of \$29,000. That's tremendous. Her first estimated to me was a quarter of a million and I said that is not going to work and I told her to bring me another rock. She keeps brining me another rock until we got down to the \$29,000 rock and we felt that that was acceptable for the services. We got responses back from our free Saturday, free Friday, our test over the summer. The service is getting used, we're averaging probably between, figure low is in the 80's or 90's but we've had as high as 172 rides on a Saturday with no advertising. Just word of mouth, social media, that's tremendous and that's City fixed routes. We're not running the rural routes. There's on-demand service but we do get revenue from the DOT through STOA and what else?

Mrs. Westphal: *(Inaudible)*

Mr. Bentley: The mileage and the passenger so we do get revenue. We're still losing money because it does cost money to provide the service but we really have mitigated that loss and that's included in the budget. Somehow she has managed to get additional grant money so she's the big winner of the say. We've done all this and decreased the local share. A lot of that I think is some increased revenue that we can go through and the details. But, I just want applaud Michelle. She has her team members working hard to figure out ways to provide this service. Her employees, it's not only you but your employees, the dispatchers have been flexible. I don't know that you'd get the response you've gotten without her being at the helm. You have to deal

with the Union issues, you have to deal with people willing to be that customer centric focus and it starts with her. So, I just want to give her – without her, I don't know what I would do.

Legislator Nazzaro: Do you feel the same about him?

Mrs. Westphal: I do.

Mr. Bentley: She did not say that yesterday when I forgot to put in Saturdays. Actually she said, I don't who forgot to do it but they should have put that in. I go, I think you are speaking to him.

Legislator Niebel: On the topic of Saturday services, essentially did you have to cut back on routes, Monday through Friday to –

Mr. Bentley: Nope.

Legislator Niebel: It's mainly because of the increased revenue.

Mr. Bentley: Yep and we have part time drivers so we increased the number of hours for these part time drivers but they don't make them full time. Not everybody wants to work on Saturday, some people do, a lot of people don't, so, -

Mrs. Westphal: It's been a struggle.

Mr. Bentley: She gives a lot of encouragement to these drivers.

Legislator Niebel: I think that it's excellent that you've done that because that's the one complaint that I've heard over the years is, no Saturday service. That's corrected so congratulations.

Legislator Nazzaro: Again, that's just in Jamestown or Dunkirk?

Mr. Bentley: Dunkirk. There are four routes in Jamestown and two in Dunkirk.

Legislator Nazzaro: I have a little test and I'm walking my dog and I see more people on the bus.

Mrs. Westphal: Our ridership has increased.

County Executive Borrello: I want to say quickly that, I felt like, previously, we kind treated CARTS as a reluctant obligation. Now we're treating as it should be which is the only public transportation option that we have in the County. Michelle has done a great job and now we applied for this big modernization grant and what is it now, like 8 months waiting and still haven't heard but if we get that modernization grant, it will be a game changer. It will allow us to truly upgrade so you'll be able to buy tickets on line, watch where the buses are on your smart phone. All the things that you need to bring it up so people can actually use it conveniently. To

me, that's where we have to go with this if we really want to make it something that is widely used and reliable and easy for people to use. But, hats off to Michelle and really the whole team for doing this.

Mr. Bentley: So, walking through this, you'll see in the personal services, we have step increases. There is an expected promotion of Michelle's right-hand person.

Mrs. Westphal: Yes, (*inaudible*) Resources Assistant to Project Coordinator.

Mr. Bentley: That's in there and obviously the Saturday service that I did not write in the box.

Legislator Gould: (*Inaudible*) people full time that are driving?

Mrs. Westphal: No.

Legislator Gould: I thought they were part time.

Mrs. Westphal: They are.

Mr. Bentley: Most of the drivers –

Mrs. Westphal: We have one full time and 9 partials, which are 75%, they work about 30 hours a week, but the rest of them are all part time.

Legislator Gould: Then they get benefits?

Mr. Bentley: The 9 partials do get benefits.

Legislator Gould: The part timers don't?

Mr. Bentley: Do not.

Mrs. Westphal: They are eligible for the retirement if they chose to take it.

Mrs. Dennison: Most of the drivers are budgeted in the substitute line rather than in base pay.

Mr. Bentley: Under contractual, we have a slight increase in the Mobility Manager budget. She provides a lot of – actually, you can explain better than I can.

Mrs. Westphal: We have our Mobility Manager for Chautauqua County. It's 90% grant funded. We have 10% local share which we do in-kind by housing her at the CARTS office. Copies, different things like that. But that's through our 5311 grant. She promotes CARTS, she does presentations, she does travel training. If you were to call and say you needed to go

somewhere and CARTS didn't necessarily work for you by itself, she would figure out a way to get you from point A to point B and may be use other means of transportation to get you there.

Mr. Bentley: Because right now CARTS is not allowed to go outside of Chautauqua County. We're only allowed to service within the County. Employee benefits, again, those are what they are. Moving onto the revenue line, we have seen a decrease in reimbursed ridership for the long term care, DHHS, due to – there is a freedom to choose who you ride with so they can ride a Fancy bus, they can ride whatever, and we've seen a slight decrease. We've also seen a slight increase in Medicaid trips. In the sale of property, that is where we sell our extra buses. I think we're supposed to get 6 new busses – it's a 2 year grant so we'll have some extra busses to sell but generally they are not worth a whole lot because if you've ever seen the old ones, they are pretty rusty underneath.

Mrs. Westphal: (*Inaudible*)

Mr. Bentley: We run them on gas instead of diesel.

Legislator Chagnon: No electric?

Mrs. Westphal: Not yet.

Mr. Bentley: We were asked to participate in a natural gas vehicle study. Was that from National Fuel?

Mrs. Westphal: I believe so.

Mr. Bentley: So they wanted to do a study to see if we could accept grant money to change our fleet over to natural gas. That's ongoing. I'm not too optimistic because we don't have that many natural gas filling stations. You have the one on Rt. 60, one up in Westfield, a very small one, so it might hamper our ability to refuel or have to put in an infrastructure to have our own which I'm not a big fan of. But they are doing the study nonetheless and we'll have the results and if we can get grant money, we'll get it. (*Inaudible*) to reach out to whoever. If there is money available, we'll take it. But we have to make sure we don't have any unattended consequences with that.

New York State aid. We do have an increase in the STOA rates, New York State DOT increase.

Mrs. Westphal: It went from 40 ½ cents a passenger to 68 or 60 cents a passenger and then it went from 40 ½ cents to 68 cents and per mile went from 69 cents a mile to \$1.15 a mile and that's for all revenue miles and all passengers.

Mr. Bentley: That's how she's winning. She's getting more reimbursement but again, that's through a lot of lobbying and asking for what we deserve. Hats off there. Federal aid, since we have a little bit more budgeted, we have a little bit more reimbursement of the Mobility Managers (*inaudible*) associated increase there. Again, with all that, our local share went down \$84,000.

Legislator Gould: What is miscellaneous income?

Mrs. Westphal: That can be the reimbursement for scrap metal. It can be reimbursement if we get reimbursed from RTAP, which is Rural Transit Assistance Program. We can put it in there so it's just anything miscellaneous that comes in.

Legislator Niebel: Brad, you mentioned that CARTS doesn't operate outside of Chautauqua County.

Mr. Bentley: Yes, we're not allowed.

Legislator Niebel: Have you looked into that? Because we do have a lot of people that have doctor's appointments in Buffalo and Erie. I was just wondering, is it a State restriction?

Mrs. Westphal: Yes, it's a State restriction. There is a lot that we would have to do and DOT has kind of recommended that we stay away from that.

Legislator Niebel: DOT has recommended that?

Mrs. Westphal: Yes. We would have to enter into agreement – I'm not even sure of the whole process. I did check on it once and our rep at the time thought that it was something that we should stay away from at this time. Basically because we operate – we do so much more than most of the other counties that our plate is full with what we do.

Mr. Bentley: Our County is fairly large. If we were a smaller county and had more opportunity, we'd probably go to a neighboring county.

Legislator Niebel: It's just a question because that's the other criticism that I've heard of CARTS. One was the Saturday service which you've taken care of and the other was, if somebody wanted to get to the doctor's appointment in Buffalo, CARTS can't take them.

Mrs. Westphal: What we're working on right now is, slowly but surely with our transportation plan, we're trying to have CARTS meet up with different counties so we'll go to the County line and then people can transfer but it's a work in progress. So we are trying to work on that. We've been working with the Seneca Indians –

Legislator Niebel: Actually that will take care of it.

Mr. Bentley: We got contacted by Pennsylvania and they asked us if it was o.k. if they dropped people off at the Mall and we said, sure.

Legislator Niebel: The (*inaudible*) mall?

Mr. Bentley: Yes.

Mrs. Westphal: The Chautauqua Mall.

Legislator Niebel: So Pennsylvania is coming into Chautauqua County.

Mr. Bentley: They can't service our customers. Like they can't pick up a customer in Chautauqua County and delivery them somewhere else. They can take someone from their County in Pennsylvania and drop them off.

Legislator Niebel: But they can't take them back.

Mr. Bentley: Right. I actually talked to the lady in charge and I said, look, if you want to try meet up somewhere in Frewsburg and have something back and forth between Warren because the people in Warren don't want to go to Erie. They would rather come up here. Or at least, she's seen a demand for it. I haven't seen them up here yet but we were contacted at least and we're trying to figure out how to coordinate that. It's on the radar screen, it's just how we do it. We have regular stops by Frewsburg and it would be very easy for us to – we'd probably wouldn't have to do much more work than we do now.

Legislator Nazzaro: I remember JARTS, I was on the City Council in Jamestown when –  
(*cross talk*)....

Mrs. Westphal: We still have one of the drivers left from JARTS driving for us.

Mr. Bentley: Anything on CARTS, Jamestown or Dunkirk? The second page is CARTS SUNY, that's just a pass through for the service. That's it for CARTS.

## **PARKS**

Mr. Bentley: What haven't we talked about in Parks. (*Inaudible*) change in allocations, the FTE we talked about, the hiring of the road maintainer, engineering aide, charges to capital and the promotion of the Labor Supervisor (*inaudible*) is in there. That's the personal. When you get all into it, it drops by \$15,000. You do all that stuff and again, part of this is Ron's time is in Parks, (*inaudible*) time is in Parks, my time is in Parks –

Mr. Zafuto: No.

Mr. Bentley: Wasn't it?

Mr. Zafuto: (*Cross talk*)....

Mr. Bentley: But there are a lot of things, in/out, crazy.

Legislator Nazzaro: Going forward, most (*cross talk*).....

Mr. Bentley: (*Cross talk*)... 20/21' should compare to 2020 very nicely and I'll be able to explain without all of these changes in allocations. I'm going to fix it once, fix it right.

For equipment, we're trying to clean up the waterways so we need to purchase a boat motor and a trailer to get the boat there.

Mr. Zafuto: That plus they wanted to have two crews go out with mowers, so two pickups, two trailers, mowers on them, send them out to different parts of the County.

Mr. Bentley: Because we have trails, we have two parks, we have waterway access, we have boat launches, there is so much more in the Parks than people realize as far as stuff that the County has to maintain. It probably has been neglected for many, many years, because again, we didn't have the resources to address it properly. I think we got the resources now in the right places and they need – what they do is they actually go in the river, in the Conewango and the Cassadaga, and cut trees, move them out of the way. If you heard about the kayaker that got stuck on the tree, we didn't have it cleaned up. We have to do a better job of cleaning up our stuff so we are responsible and we're going to take of it.

Chairman Hemmer: Speaking of kayaks, they are putting in some new kayak launches. Are we going to have to maintain those?

Mr. Bentley: I don't think those are ours. The City of Jamestown is putting one on the Chadakoin, that's their responsibility.

Chairman Hemmer: There are a couple of them on Lake Erie that are going to be –

Mr. Bentley: We don't own any Lake Erie properties so those are not ours.

Mrs. Dennison: Planning & Economic Development got a grant who is going to do that. So that's their baby.

*(Cross talk).....*

Mr. Bentley: I think there are four on Cassadaga Lake. As far as I know, they are not our responsibility. To the extent it gets turn over to me, -

Under employee benefits, again, those are the *(inaudible)*...., for the revenue. The \$150,000 comes from the 2% occupancy and miscellaneous is donations. In fact, we've seen an uptick in cash donations this year. Any questions on the Parks?

Legislator Scudder: My brother-in-law used to be Commissioner of Parks and Recreation for Broome County and they charge to get into every park. It was a different set up, it was more baseball fields, soccer fields, shelters, but, if you weren't there by 10:00 on a Saturday morning, they were sold out. It was really an amazing thing to see.

Mr. Bentley: We're getting a lot of more reservations for weddings and gatherings at the parks. We have a web based application and hopefully it will continue to reserve the parks and the pavilions.

Legislator Muldowney: Do you charge for that?

Mr. Bentley: We currently do not charge.

Mr. Zafuto: We do ask for a donation because I'm actually the one that takes the reservations and I'll ask them for donation to the County Parks or they offer to send a check to Falconer or actually put it in the boxes at the parks.

Legislator Scudder: What is the donation participation? Is it 100%?

Mr. Zafuto: For weddings, it almost is. It might be \$10.00 here or there but –

Mr. Bentley: But the cost to us isn't that much. It's the garbage pickup. If you've ever been in the Luensman's bathroom, you are not using that facility so we're not charging for that. There is no electricity up there so there's really –

Mr. Zafuto: There's a pavilion, right?

Mr. Bentley: There is a pavilion but –

Mr. Zafuto: The park does remain open to the public so they are just getting the pavilion.

Mr. Bentley: We're replacing the bathroom up there and we're going to have electric service up there and I may look at doing something for reservations.

Legislator Nazzaro: I mean, the City parks, they charge if you reserve a pavilion.

Mr. Bentley: Right now our facilities are not enough to – we want to encourage it first and if we actually improve the facilities then I think we should take the next step of looking at if we should do something there. But right now, there is not much to charge for. By the way, I don't want to post someone up at the gate collecting fees because - *(cross talk)*...

Legislator Nazzaro: No, they would pay ahead.

Mr. Bentley: Well, like you said to get in, then we would need a gate, we'd need a person too at each park and then your costs go up.

Legislator Scudder: I'm just saying, it was an amazing thing to see.

Mr. Bentley: We're seeing a lot more use. If you haven't been to the Parks, go up and look. Luensman is beautiful and we had a Park Commission meeting, people are going in and out of there constantly.

Legislator Nazzaro: A lot of people still don't realize that those parks are there.

Mr. Bentley: Any other comments or questions on the Parks? If not, we'll move onto Forestry.

**FORESTRY:**

Mr. Bentley: Basically the contractual is property taxes and what we found out was a little surprise to us. Our property taxes went up in 19' significantly. I think part of that was due to Clymer.

Mrs. Dennison: We just got the final school tax bills for the forestry lands and so in 19', our property tax is over budget, \$5,039. Obviously no increase in County taxes, schools taxes.

Legislator Nazzaro: Why do we pay taxes?

Mrs. Dennison: That's always asked. Jim Caflisch is saying it's the law. I mean, it's property that the County owns especially in these various school districts.

Legislator Nazzaro: But does the County pay taxes for other properties to various school districts? This is the school taxes?

Chairman Hemmer: For example, the campus here in Mayville, -

Mr. Bentley: So let me partially answer the question. I don't know if I'm going to get the whole answer right but, I bought the white house. So when the tax rolls, the cutoff date, it was not March 1<sup>st</sup>. It wasn't conveyed over as County property. I had to pay the taxes on it until the following year until it became official County property.

Legislator Nazzaro: This is ongoing, right?

Legislator Niebel: That's an exception.

Mr. Bentley: Yea, when it comes to property and how it gets – once it's in the County name as far as that property, it clears. Now the forestation properties may have a completely different –

Mrs. Dennison: Yea, it must be different because we're charged town taxes in January, Arkwright, Charlotte, Clymer, Ellery, North Harmony, Ripley.

Legislator Nazzaro: I would like to have that researched why we have to pay taxes. Why one government agency has to pay to another government. And these are what, schools districts and towns?

Mrs. Dennison: Yes.

Legislator Nazzaro: That makes no sense.

Mr. Bentley: O.k., so notwithstanding the answer to the question –

*(Cross talk)...*

Mrs. Dennison: We're not assessed County tax but –

Legislator Nazzaro: Well, you don't pay taxes to yourself.

Mrs. Dennison: The Town tax and the school district tax.

Legislator Nazzaro: But like in Jamestown, we have County offices, we don't pay taxes to the City of Jamestown. The County does not pay taxes here to Mayville.

Legislator Niebel: Chuck, I'm sure the State has forest land at the Park right? I'd be surprised that the State pays any taxes (*cross talk*).....

Clerk Tampio: For instance, there was a reservoir in the Town of Hanover that was used as part of their water system at one time. They no longer use it as a reservoir for municipal purposes so the Town of Hanover taxes that property because it's not being used for municipal benefit purpose.

(*Cross talk*).....

Chairman Hemmer: Is this just our County taxes or does this include the Parks?

(*Cross talk*).....

Legislator Gould: I see we are on forestry and I don't see any costs for the manager of the forestry. We have a company that does that. I am sure they send us a bill, why isn't something –

Mr. Bentley: Because they get paid out of the timber sales. They get paid 7 ½% out of the timber sales otherwise there are no other charges. Forecon gets their money out of the timber sales.

Mrs. Dennison: The capital revenue is reduced by their commission.

Legislator Gould: So that comes out of capital funds.

Mrs. Dennison: Yea, it's a reduction to the revenues. So we (*inaudible*) revenue and just record it as timber sales in the capital account.

Legislator Gould: We have no contract with them then.

Mr. Bentley: No, we have a contract with Forecon. It used to be Soil & Water now it's with Forecon. We put it out for an RFP and they won the RFP.

Legislator Gould: I know that every so often they do a plan on all our forestry stuff.

Mr. Bentley: They haven't done one recently though.

Legislator Gould: How come we saw timber (*inaudible*)....

Mr. Zafuto: That's part of the new engineer that's in the Parks. He's going to be working to update that.

Mr. Bentley: The engineering aide that I hired for the Parks, he's going to be doing this as well. Remember when I talked about I'm trying get my arms around where all this oil & gas and reforestation property is, I'm trying to figure out what is what in this stuff. We have 20 year old agreements that have expired or (*inaudible*) so I need to get my arms around this.

Notwithstanding all of that discussion, I still have an issue. Our costs went up \$5,039. My (*inaudible*) for 2020 is significantly under what this years' number is. I need to up that number because of the tax bill that came in after we estimated this number. So I would recommend at least \$4,000 to be added to the tax bill. I need at least twenty two, maybe twenty three possibly.

Legislator Nazzaro: Why did it go up?

Mr. Bentley: Clymer's school district tax.

Legislator Nazzaro: We weren't paying that before?

Mr. Bentley: No, we were. They upped it 7%.

Legislator Nazzaro: So how did 7% equate to \$4,000?

Mrs. Dennison: Our expense in this year is \$22,000, actual expense in 19'.

Legislator Scudder: Just Clymer went up?

Ms. Hansen: In 18', it was \$20,000.

Mr. Bentley: Other schools had increases but Clymer was the big share of it.

Legislator Gould: How many acres in the Clymer school district?

Mr. Bentley: I don't know. I don't have the data. It's the one thing I haven't been able to wrap my arms around yet. But the bills are the bills. We can find out the parcels.

Legislator Scudder: Why do we have these?

Mr. Bentley: Because you said they'd take them.

Legislator Scudder: Why do we have them? I know if we're making every 15 years, \$75,000 but if we're paying every year, school taxes, -

Legislator Niebel: It's part of our green policy.

Mr. Bentley: Part of it was probably the oil and gas leases back in the day. We wanted to maintain some green space but there was significant revenue from the oil and gas leases back in the day. Now the taxes are exceeding those revenues.

Legislator Scudder: That's why I'm thinking should we be looking at selling?

Mr. Bentley: Who's buying.

Chairman Hemmer: You never know.

Mr. Bentley: I mean, if you guys want to put together a task force to look at selling reforestation land.

Legislator Nazzaro: I really don't remember talking too much about this.

Legislator Scudder: I haven't in my tenure.

Legislator Nazzaro: Jay, you said it was donated or something?

Legislator Gould: A lot of people that were dying would leave their land to the County or looking for a write off, will give it to us.

Legislator Nazzaro: I think it would be nice to have a little analysis.

Mr. Bentley: You are need to give me at least a year or two to get that done, to wrap my arms around all of that.

Legislator Nazzaro: No, just a financial analysis to show what is the sale of timber versus the cost of keeping it. So say over the last 10 years we've generated \$200,000 timber sales and spent (*cross talk*).....

Mr. Bentley: Let me put it this way. I don't even know what lands we have. This requires to go back in all the deeds, you have to figure out what was in it, what were the restrictions on it?

Legislator Scudder: There is a good chance we can't sell it.

Mr. Bentley: Right but you are going to have to go back in every deeds, every parcel out there that –

Legislator Scudder: I was just throwing that out there. If it's costing us more, why have it.

Legislator Nazzaro: Right, Kathleen, you would have that right?

Mrs. Dennison: What it costs us?

Legislator Nazzaro: No, just based on the back budgets, you could go through these.

Legislator Gould: Cover the parks, do you want to sell them too?

*(Cross talk).....*

Chairman Hemmer: O.k., so I guess we need to do some further investigating then.

Mr. Bentley: Again, notwithstanding, all this discussion, I have a bill to pay and my budget does not reflect reality. It has to be addressed or else my budget is going to go over this year.

Legislator Scudder: The \$4,000 is the increase from all the school systems, not just Clymer?

Mr. Bentley: Yes.

Mrs. Dennison: Actually the biggest bill is from Sherman. I'm just looking at what we paid in this year – *(cross talk).....*

Legislator Scudder: I should just ask you how many school systems we're paying taxes to?

Mrs. Dennison: To Sherman, we pay \$8,264, we pay them separately. We also pay some to Forestville, Cassadaga, Clymer, Chautauqua Lake, and Panama. That is six. As I say, Sherman is bigger than all of the others combined. *(Cross talk)..* step down value, Panama, Clymer, Cassadaga Lake, Forestville, and Chautauqua Lake.

Legislator Scudder: Does it show the town taxes?

Mrs. Dennison: Yes.

Legislator Scudder: *(Inaudible)...*

*(Cross talk).....*

Mrs. Dennison: Six towns and the most expensive to least, Ripley, North Harmony, Charlotte, Clymer, Arkwright, and Ellery. So I sent an email to Jim Caflisch and his deputy asking why we pay taxes and we don't have a response yet but as Brad pointed out, if we don't pay, the budget for 2020 is \$4,000 to low. Perhaps we should wait until Friday to make adjustments and see what the response is from Mr. Caflisch.

Legislator Nazzaro: But if you got a bill, you have to pay.

Mrs. Dennison: If we did an override for this year because we had to pay the taxes (*cross talk*).... charge penalties so you will see a resolution coming soon. Did we put one in for October Sam?

Mr. Zafuto: No, we didn't because we're still going to receive gas well revenue through the end of the year so we were going to wait to the year-end adjustment.

Mr. Bentley: So I don't think I ever got to the second part which is the revenue and it does vary based on production. It is just a number where we've seen some pretty wide swings.

Mr. Zafuto: I've seen some as high as \$20,000 and as low as \$6,000.

Chairman Hemmer: The price of gas at the well head (*inaudible*)...

Mr. Bentley: I don't know what to expect but I think we want to be conservative in the revenue projections here.

Chairman Hemmer: And that revenue is shown where?

Mr. Zafuto: It's the revenue in the forestry.

Chairman Hemmer: Oh, o.k., this is from oil & gas. So even with that figured in, we're still \$4,000 short?

Mr. Bentley: Well because the cost is the cost. The revenues will come in at whatever they are but the cost is the cost.

Legislator Nazzaro: So do you need an amendment?

Chairman Hemmer: Yea, it looks like what we'll need, right? Or, if we are going to do it now or wait and do it by resolution at the end of the year.

Mr. Zafuto: To clean this up, that is what our plan is.

Mr. Bentley: The resolution is for 19'. The amendment here would be for 2020 and we already know the approximate cost of what it was last year and we probably want to bump it, for increases for next year, you may want to go another \$1,000 up.

Mrs. Dennison: Or if you would prefer to wait, I would imagine by the end of the meeting today, we'll hear something from Mr. Caflisch so we could wait to make the amendment at the end of the day.

(*Cross talk*)....

Chairman Hemmer: So we feel as though if the taxes don't increase, \$4,000 will cover for next year?

Mr. Bentley: But if they increase you are going to need more than *(inaudible)*...

Legislator Nazzaro: Then it would be a budget adjustment.

Chairman Hemmer: O.k., so we need a motion.

Legislator Scudder: I would make a motion to increase it \$4,000.

Legislator Gould: I will second that being on that Committee.

Mrs. Dennison: I would just like to point out if we only raise it \$4,000 we're almost guaranteed to be \$39.00 short.

Legislator Scudder: Alright, \$4,100.

Legislator Gould: I will second that.

Chairman Hemmer: O.k., the amendment is to add \$4,100 to the forestry contractual. All in favor?

*Unanimously Carried*

Chairman Hemmer: O.k., we'll take a 10 minute break. We have highway D fund and machinery DM fund to do.

*Committee then took a 10 minute recess.*

### **Landfill**

Chairman Hemmer: We'll begin with the summary page of the landfill.

Mr. Panteli: O.K.

Mrs. Dennison: You can start with the FTE page and then *(inaudible.)*

Mr. Panteli: The FTE page- it looks like 2.39 was *(inaudible.)*

Chairman Hemmer: It's a lot of shuffling around. It's sort of hard to follow.

Mr. Bentley: Part of this is the unwinding of stuff. So, there's a number of things that were charged up to the landfill that- you can see the purchasing agent, my time, the mechanic- so, part of this is unwinding the allocations that were up to the landfill. For budgetary purposes if I couldn't really see the work was being done I'm not going to budget it. If it happens, my time goes where it needs to go. As far as budgetary purposes trying to allocate my time out in parts and pieces doesn't make any sense to me.

One of the things I've been talking to Pantelis about is doing is looking for Pantelis' successor here and planning for the future. Pantelis does a great job up at the landfill but I don't think he has a lot of support and I think we need to get Pantelis some support and part of that is getting an engineer onboard so that he can learn the ropes before something happens. Whether your retirement is five years off or next year I think we need to develop a plan and this is part of the plan. That's the overall big picture- Pantelis does a great job up there, but he tends to take care of a lot of stuff by himself.

Mr. Panteli: Are there any questions? Is there any reaction?

Chairman Hemmer: I think it's good. I like a better accounting of what's happening. All these positions that- the reduction in the DPF allocation- building maintenance is getting back .08 of a position and the director .05, but that goes into administration right? The engineer- .1 of a position is reflected in the engineering. O.K., that's part of where the increase in the engineers comes from. The principle engineering aid is .05 and .75 for the account clerk?

Mr. Bentley: Yeah, so we share some resources in the administration piece to help Pantelis with some of the payroll, purchasing, invoicing services, so those costs have been traditionally-

Mr. Panteli: That work is going to be done by the landfill.

Chairman Hemmer: That's part of the 2.39 that you're increasing? You're picking up account capabilities?

Mr. Bentley: Yeah, Terry Braley retired last year and she was a grade 6 and we've increased that position to a grade 10. We just hired a person- she hasn't started yet, but is soon to start and she'll be taking on some of the increased duties that the admin people down here were doing. So, some of the things that went to centralized purchasing left with that employee, but that employee also had other stuff that didn't go with here, so I need to be able to offset that stuff. Basically we're replacing a full time employee with a full time employee, just a grade 10- a couple grades higher.

Mr. Panteli: The bottom line is over the years I eliminated a lot of positions because the budget wasn't there until we built up the revenues for the landfill and I assumed a lot of the work like junior engineer, senior engineer- I was the senior engineer before I- I didn't fill those positions (*inaudible*) and the work can't be done. You need to get new people in and training them to continue the work because other people have to go eventually. So, that's where- I'm trying to prepare the ground so that the place runs with the people that it needs to run with and the operations keep increasing. You can see how the revenue keeps going up, our customers are growing, so the work is growing.

Chairman Hemmer: Yeah.

Mr. Panteli: It would be nice if some of the legislators would be curious enough to come and see what's going on at the landfill maybe once a year. I haven't seen anybody for tons of

years. We're building projects, we're going all kinds of good work, but the only time we talk about it is in this office.

Chairman Hemmer: Sounds like a wonderful invitation.

Mr. Bentley: It's a challenging operational environment. It's complex with a lot of moving parts and pieces. It's probably one of the more dangerous situations we have because you're basically driving equipment on garbage all day. It's not for the faint of heart. If you consider the transfer stations, the compactors and like Pantelis said we're building a new cell, so there's a lot of construction activity going on. It's very difficult to oversee the whole operation.

Mr. Panteli: We've built many cells over the years.

Legislator Nazzaro: Maybe it would be good for Public Facilities to arrange a time- and I was up there during the Edward's administration and I'll be honest, that's the last time I toured the whole thing. Maybe we could arrange for those who want to come so we don't waste- so you don't duplicate the tours, I think it would be very good-

Chairman Hemmer: Get the Public Facilities committee up there-

Legislator Nazzaro: Because there is a lot of changes and a lot of activity.

Mr. Panteli: Any time before it snows.

Chairman Hemmer: O.K., I will give you a call and try and schedule some time when you have some time to talk to us and then we'll try to get as many as we can- any other Legislators that would like to.

*(Cross-talk)*

Chairman Hemmer: And see the new gas arrangement that's coming up. Now, for instance, the new cell- is the gas arrangement going to be incorporated into the new cell?

Mr. Bentley: Yeah.

Chairman Hemmer: *(Inaudible)* whatever the additional piping needs-

Mr. Panteli: We're making provisions right now to expand the gas collection to the new cell and everything. This morning I was up there telling them what lines to hook up where.

Legislator Muldowney: When will that be done?

Chairman Hemmer: The new cell or the gas?

Legislator Muldowney: The cell.

Mr. Bentley: It's scheduled for the end of this year to be opened up. It's all weather dependent, contractor dependent- we've hit some challenges this year through weather and contractor issues. It's not like any other project we've ever done.

Legislator Muldowney: Thank you.

Mrs. Dennison: Well, if there aren't other questions on the FTE's maybe we should move on to the first department- 8160 (*inaudible*.) If you could just walk us through the highlights of environment landfill sub department 1000.

Mr. Panteli: O.K. You can see we've increased our revenues and the expenses accordingly, but we're staying in the black.

Mr. Bentley: This is increasing our out of county-

Mr. Panteli: We get about 40% of out of county right now and that's as of 2018 that they went up and there was some profit share with the budget for next year for 2020.

Mr. Bentley: It was half a million?

Mrs. Dennison: \$483,000.

Chairman Hemmer: What was this? Profit share?

Mr. Bentley: It was mentioned by the County Executive at the budget meeting. The profits from the landfill were (*inaudible*) accelerated into this year.

Mrs. Dennison: There's a- I guess you would call it a two year lag. So, in 2018- in the case of the 2020 budget if the landfill has a profit a percentage of that profit is transferred to the general fund presented to the profit based on the percentage of out of county profit on out of county waste. So, there was a significant (*inaudible*) in 2018 by the landfill, so the budget does include a transfer from the landfill to the general fund of \$483,000.

Mr. Bentley: Good news.

Mrs. Dennison: And that compares with- there was a gain in the landfill in 2017, a smaller gain- transfer in the (*inaudible*) budget from the landfill to the general fund of \$52,000.

Legislator Nazzaro: The 2020 amount is- so there's a two year lag, so that numbers a solid number?

Mrs. Dennison: Yeah.

Legislator Nazzaro: I just wanted to make sure it's in the bank.

Mrs. Dennison: That's a good point and that's why there's a lag. We wait until the results are completely final so it's a true number. Yes.

Mr. Bentley: That was in the County Executive presentation.

Legislator Gould: It shows equipment. It was zero in 2018, \$74,000 in 2019 and then we're going to go to \$12,020? Why does it bounce around so much and what is it?

Mr. Panteli: One year you need a refrigerator and the next year you don't need a refrigerator at your house.

Legislator Gould: It doesn't look like we're going to buy a refrigerator.

Mr. Panteli: This is for equipment that we don't need to buy every year and it could be capitalized- I don't know, but we budgeted money to put in a security system at all the transfer stations with cameras and everything. That's why it was seventy-some-thousand.

Mrs. Dennison: Were there trash compactors?

Mr. Panteli: The trash compactors needed to be re-serviced. The steel wears out and we need to replace it. That's done by a specialty steel contractor here in Jamestown.

Legislator Gould: So the \$12,000 is just a guess that something might break?

Mr. Panteli: \$12,000?

Chairman Hemmer: Yeah, is there something planned for 2020 that you've budgeted \$12,500 because you know there's a piece of equipment that you want to replace?

Mr. Panteli: Yeah, lawn mowers for the transfer stations, computers-

Mr. Bentley: Whatever can't be capitalized.

Mr. Panteli: Small equipment.

Mrs. Dennison: One other factor that contributes to 2018 being \$0 is that with the enterprise funds the accounting for equipment is different than the general fund. So, anything that can be capitalized at the end of the year the actual result is removed from this category and put into fixed assets and depreciated. We have to budget for some of these larger depreciable items in this line, so there's a vehicle for which the landfill- authorization to spend.

Mr. Panteli: I see now the variance. 2018 is actual. Whatever we had in there it was budgeted there. When we went to get it they said no, it's not going to come out of that, take it out of the capital account. So, it became zero. It wasn't that it was zero.

Legislator Gould: You see why I'm asking-

Mr. Panteli: Yeah, I see but you're not comparing apples to apples. You're comparing budgets and actuals and something happened in between the budget and the actuals.

Legislator Gould: Yeah and I was curious as to what, but I don't know.

Mrs. Dennison: And occasionally as you see for 2017 some expenditures will remain in this line item if they're not capitalized. That was the case in 2017- purchase of a used vehicle stayed in the expense and was not added to the asset.

Chairman Hemmer: The increases that we're budgeting are in increases that are pretty much guaranteed? We have the contracts so that we're pretty confident that those increases in the (*inaudible*) stream are going to come?

Mr. Panteli: There's no guarantee in life.

Mr. Bentley: But it's your best estimate.

Mr. Panteli: We project based on what we know right now.

Chairman Hemmer: O.K.

Mr. Panteli: If something happens tomorrow and another landfill opens up in Frewsburg or Erie and it's cheaper- I mean, we have no guarantees for the waste we generate here at the County because we don't have full control yet.

Chairman Hemmer: Thank you. Any other questions on this page?

Legislator Chagnon: In the detail, Pantelis- vehicle maintenance sub-contractor for Ellery is increasing by \$150,000. Can you explain that?

Mrs. Dennison: It's on page 7 of 15.

Mr. Panteli: The actual in 2018 was (*inaudible*) right?

Legislator Chagnon: The actual in 2018 was one-ninety-three-

Mr. Panteli: O.K., the actual was one-ninety-three.

Legislator Chagnon: And we dropped the budget in 2019 to \$100,000 and now we're increasing it to \$250,000?

Mr. Panteli: (*Inaudible*) we dropped it. Right now it's \$122,000-

Legislator Chagnon: Through June it was.

Mr. Panteli: Right. So, when you see until June is \$122,000 and double that-

Legislator Chagnon: But we dropped it in 2019 budget to \$100,000. Did we do that foolishly or did we have some expectation of doing something different?

Mr. Panteli: No, (*inaudible*) was put together in 2017. 2017 was \$104,000. O.K., so if you have 2017 and you're preparing in the middle of 2018 for 2019 and you know in 2017 was about \$100,000, you projected \$100,000, but that's budget. There's a difference between budget and actual.

Legislator Chagnon: Of course.

Mrs. Dennison: My notes from our preliminary review were that I mentioned trash compactors earlier as a purchase, but we discussed that there was significant maintenance on the trash compactors and it's in this line.

Legislator Chagnon: So our 2019 budget was erroneous?

Mr. Bentley: Probably to put it a better way- optimistic.

Legislator Chagnon: And that's what I was probing for. Did we plan on doing something differently in 2019 that didn't happen?

Mr. Panteli: Not everything we plan happens the way we plan it. You realize later on after you budget that something needs work otherwise it's going to cost more; you're going to get it done. You're not going to say that you're not going to do it because it's not in the budget.

Mr. Bentley: We probably could equate it to the DPF. Let's say I got 5 trucks that go down and I have to replace engines in them, that's not in my line item- not in my expectation. So, the reasonable expectation at the time (*inaudible*.)

Legislator Chagnon: O.K.

Mr. Bentley: But this has a lot of variability.

Legislator Chagnon: I'm O.K. with that. What I was probing for was did you plan on doing something differently that didn't happen. You said no-

Mr. Panteli: Some things turn out better than what we budget or expected and some things go (*inaudible*) the overall picture and-

Legislator Chagnon: I understand.

Mr. Bentley: I would probably say it was probably an optimistic view.

Legislator Nazzaro: You sometimes almost need to use an average when you do these types of things because one year, to your point, we're kind of low and then 2018 was higher-

Mr. Panteli: Some things move from one account to another and you see a big difference on the one account but the other account you don't see where it drops. There are line items in here that we budgeted that are more and we spent a lot less. So, it (*inaudible*) on the big ones.

Chairman Hemmer: So, for instance in the Ellery you're foreseeing a bigger expense and that's why you're budgeting for it?

Mr. Panteli: Yes, just to be cautious.

Mr. Bentley: And I'll just say this, the more waste you get, the more you use your equipment and the more maintenance you're going to have to do.

Mr. Panteli: We added another mechanic so I can do more work in house where it can be done and that is going to drop. At the time, based on what I had in front of me-

Mr. Bentley: Any other questions on the detail? Let's go to the close landfills -6000.

Mr. Panteli: Close landfills are more or less predictable.

(*Cross-talk*)

Mr. Bentley: Yeah, so there are some personnel assigned to it- they get allocated to it, but no major changes.

Mr. Panteli: Corrections mainly because we (*inaudible*) from landfills and that's the major expense for close landfills and then other maintenance, mowing, environmental monitoring, wells that we do, lab analysis that the DEC has required for the close landfills.

Mr. Bentley: If there's no questions we can go on to 7000-recycling.

Mr. Panteli: I just got emails today and the New York State Association of solid waste is going to the governor asking for help because they're all losing a lot of money on the recycling and prices for the recycling commodities are very low. Some of them we have to pay to get rid of them. So we shop around every month trying to get the lowest or the best price- distance wise and price wise. China is not taking them and we need to find- we need to create industries over here that can use them, so that they are actually recycled. A lot of places put the recycling in the waste in the landfills because they cannot afford to do anything else with them.

Legislator Nazzaro: Is that why they are separating- like in the city they're separating the paper from the cardboard and the cans?

Mr. Panteli: There is some value with the cardboard. There is no value with the paper. Once you mix the two you make it all garbage. So, there's more value if they're separated

because the separation costs money, so the more money you save out of the process the higher the commodities are worth. I've been asking the city of Jamestown to do this for many years and finally they came around.

Legislator Nazzaro: Do the commercial ones follow that?

Mr. Bentley: Casella actually does a weekly schedule. They separate paper and cardboard one week and plastic and metal the next.

Mr. Panteli: And they used to take everything together before.

Legislator Nazzaro: I'm glad Jamestown came on board.

Mr. Panteli: The only one that is not on board is Dunkirk and they're paying for it.

Legislator Muldowney: They originally did that, right? They collected separately and then they switched?

Mr. Panteli: Casella convinced them to collect everything together because at the time it (*inaudible*) and there was money in it, but collecting everything together and then having to process and separate it, it makes it garbage because everything gets contaminated.

Legislator Muldowney: Is there a market for glass?

Mr. Panteli: No. Nobody ever had a market for glass for many, many years. We use glass as an aggregate- as gravel, so we buy less gravel and use glass when we do glass collection systems in the landfill. Everybody brings there glass to the landfill-

Legislator Chagnon: So why do you separate clear glass from colored glass if it all goes to aggregate?

Mr. Panteli: Because this is how it was in the beginning and-

Mr. Bentley: We don't want to confuse people.

Mr. Panteli: We don't want to change the habits because there is more value to the colorless glass.

*(Cross-talk)*

Mr. Bentley: If there's no other questions we can go on to other environmental hazardous waste. This is just our cost to do the weekend collection I believe. We're no longer getting state aid for that.

Mr. Panteli: You never know. We apply for it and it depends on what's left in the state budget. They usually give us half. If we apply for a grant they usually give us 50%.

Mr. Bentley: Debt service. I think that's zeroed out, right?

Mr. Dennison: The budget does not include any debt service at this time. Decisions on bonding for landfill expansion have not been made, so there may be a change here or costs for that may be rolled into the capital project. So, at this time, there's no planned debt instrument, so there's no debt service.

Mr. Bentley: Transfer to other funds. This is the four-eighty-three that we talked about previously.

Chairman Hemmer: And this goes to general fund?

Mr. Bentley: General fund. Do you want to do the energy fund next while he's here?

Chairman Hemmer: Yes, energy.

Ms. Crow: I'm going to talk about what's included in the budget. I prepared the budget side of things but obviously they are the operational experts. The bottom line with the energy plan is this budget will- it started out at the time we were starting the budget as kind of- the operational costs are in here as based on the twelve month trend of July last year through June of this year and just trending that out for 2020. Since that time we've been in discussions with a new operator to take over so things are likely to change but the bottom line of the net profit there that we would transfer from the energy fund to the general fund is budgeted for. Some of the details are still being negotiated and being considered. So, that's kind of the high level summary on what's included here.

Legislator Chagnon: Can you give us any more of an update on the project transfer from electric generation to renewable natural gas?

Mr. Bentley: We're currently in negotiations. We're working out some terms to see if they're going to be acceptable. We're progressing.

Legislator Chagnon: It's been at that state for quite some time.

Mr. Bentley: Well, we had one player and they backed out and we're onto the next player. So, we've been at this stage before but we had to start again.

Mr. Panteli: The whole thing depended on the incentives from the federal government and there was a price that everybody went by and it was good for a long time. The renewable identification numbers for the D3 renewables, which our gas falls into, were about \$2 per (*inaudible*) for a long time and all of a sudden they went down to 60 cents because the demand fell, because the refineries got an (*inaudible*) from buying renewable energy. So, from \$2 it went down to \$.60 and our project- there is no sure thing- was no longer viable with the (*inaudible*.) Now we're talking to another who responded to the RFP and they think they can do it and we're in negotiations to see how much we're going to get out of it. It's not going to be what we

planned because of the big drop in the revenues, but the other option continuing to make electricity – the electricity- I mean we'd be hoping year after year that the price will go up and they keep going down. It's getting worse. We've made less money.

Ms. Crow: Certainly, overall since the beginning we are ahead, but yeah the conditions right now would have never been foreseen when-

Mr. Panteli: Ten years ago when we started. We still have the debt. If we didn't have the debt to pay off, it would be O.K. it would make some money.

Legislator Chagnon: Kitty, I don't understand your comment. We're O.K. from where we started?

Ms. Crow: I mean in total net revenues that we have received since the beginning of this energy plant we have certainly made profits. In the last two years-

Mr. Bentley: It's been transferred to the general fund.

Ms. Crow: Yeah, so I didn't want anyone to think that this wasn't a good idea for-

Mr. Bentley: To say it another way, if we would have taken those profits and paid off the debt instead of putting it in the general fund we wouldn't have an issue today.

Legislator Chagnon: Under the current market conditions-

Mr. Bentley: Yeah we might be breaking even or making a little, but the fact that we have to pay off this debt service as opposed to we kind of took the funds and moved it into the general fund back in the day.

Mr. Panteli: Right now operational expenses and revenues you clear- I don't know exact numbers- about half a million. The debt is one million per million, so you're short.

Legislator Chagnon: I'm not sure who I'm asking this to. So, in your opinion is the renewable natural gas project still viable as compared to continuing the energy plant as it is?

Mr. Panteli: We're not investing in (*inaudible.*) I mean the power plant we invested as a county project. The developer is going to invest and he's going to give us payments for the gas we're going to give him- the gas we generate at the landfill. That's the deal. If he can make money or not-

(*Cross-talk*)

Mr. Bentley: Are you asking how real the deal is?

Legislator Chagnon: No I'm not asking how real your potential to close the deal is, I'm asking you with the current market conditions is it still more attractive to go to a renewable natural gas project than to continue with our current electric generation.

Mr. Panteli: I'll answer. Right now nothing makes sense unless you have subsidies from somewhere. You cannot have a small power plant making power. You need to be big. The economies of scale are not there to make five and six megawatts. There is only sense for us to do it if there are renewable energy credits that the power companies required to buy from renewable energy makers to offset because we want to promote renewables but there are a lot of renewables. The power is so much that the demand is down, so the renewable energy credit prices are very low.

Legislator Chagnon: Pantelis, I understand that. Let me rephrase the question. When we agreed to pursue the renewable gas project the federal subsidy was high. Now, the federal subsidy is low. Should we still be pursuing a renewable natural gas project?

Mr. Panteli: One company-

Mr. Bentley: So basically we had-

Mr. Panteli: One company says it's viable and the other says it's not. We don't have anything better to offer or do with the gas. Making power- we keep making less money. We have two things- continue making power and lose three, four, five hundred thousand a year or shut the power and flare the gas and make the payments which are a million from nowhere- from the general budget.

Legislator Chagnon: O.K. If we continue the way we are with electric generation we're going to lose \$300,000 a year?

Mr. Panteli: Three- four- I don't know.

Ms. Crow: Yeah, only the interest is an expense to the operating budget. The principle payments offset- are just adjusting the balance sheet, so the interest payment is \$326,000 for 2020 and those diminish over the next ten years.

Legislator Chagnon: So talking 2020, if we continue electric generation we're going to lose \$300,000 a year. If we have a renewable natural gas project are we going to lose more or-

Mr. Panteli: I'm not going to go do something that's going to lose more.

Mr. Bentley: It depends on the terms of the agreement, but we're asking for money up front. So, we would be made whole on the front end and depending on the terms, ultimately-

Ms. Crow: Potentially a fixed income each year versus-

Legislator Chagnon: A \$300,000 loss?

Ms. Crow: Correct.

Mr. Bentley: We're trying to fix- to answer your question we're looking at it so we don't lose money. We would actually break even or make a little.

Mr. Panteli: That should be obvious.

Legislator Chagnon: Really what I'm trying to get down to is when we're looking at a budget that has a million dollar revenue in it based upon a renewable natural gas project what's our probability of success of achieving that?

Mr. Bentley: Along with any revenue projection- obviously the county executive determined he was confident and put it in.

Mr. Panteli: It looked good at the time but you know the old saying don't count your chickens before they hatch.

Legislator Chagnon: There is a significant risk that that \$1 million won't happen.

Mr. Bentley: I don't know what significant means. I'll just say there's a risk as always.

Ms. Crow: I would agree. We planned a revenue before we had signed on the dotted line and now we're most likely- potentially we will may not have the planned for revenue in 2019, but we are working to be able to secure a new agreement with a new vendor that could bring in that revenue but right now that's at a risk as well as 2020. We're making progress- good progress I believe in negotiations and the players are very interested, so yeah-

Mr. Bentley: That's where Pantelis and I were in the lawyers office talking about the very exact thing. We're working on it.

Legislator Nazzaro: My only comment on this and I would hope most of us share this- I for one would like further discussion before I feel comfortable putting a million dollars in there. I want further discussion with the County Executive and the County Attorney to know exactly where this is because I'm hearing a lot- and I'm not devaluing what you're saying, but I don't want to be sitting here a year from now and say this thing blew up because I was in the meetings- part of them before and we were very confident we were going to get the money and it didn't happen. I'm not blaming anyone in this room. The conditions changed, the government subsidies, so you've got a lot of variables but I think it would be irresponsible to put this million in here until we hear more on this topic.

Legislator Niebel: Right now it looks pretty risky to put this in.

Ms. Crow: Well, yeah-

Mr. Bentley: I'll just say this- we have revenues that are always based on projections. There's always risk to every revenue.

Legislator Nazzaro: But things like sales tax and-

Mr. Bentley: And you guys need to decide what that probability is.

*(Cross-talk)*

Mrs. Dennison: What do you think the probability of that deal being completed?

Mr. Bentley: Here's where I'm coming from. We all have different opinions. They came and met with us. They're serious about negotiating it-

Chairman Hemmer: The new contract?

Mr. Bentley: There's guys that flew in from California to come talk to us in person and we're in the middle of negotiating terms and they know what we're looking for, so this is not a surprise to them and they say they have a buyer. There are still some things that need to be panned out but it's about as serious as I can make it.

Legislator Nazzaro: Do you have a time table in your mind when you think you'll have a signed contract?

Mr. Bentley: I think it will get done this year.

Ms. Crow: Yeah, I mean they are- our conversation with them when they were here a couple weeks ago was that we wanted to ensure a contract by the end of this year-

Mr. Bentley: Time is of the essence for them because they don't want to make-

Ms. Crow: And we made it clear that we want a signed agreement by the end of this year.

Legislator Nazzaro: The subsidies have gone down? Is that what I'm hearing?

Mr. Bentley: Well it's a market condition; they change every day.

Legislator Nazzaro: So why would a company be willing to give the same amount if the conditions are not-

Mr. Bentley: Well, there's a subsidy and then there's a buyer of the gas. So depending on- there's a lot of things in play, it's not just the subsidy.

Mr. Panteli: I get the prices every day. They went five cents up from yesterday to today. So, from seventy five cents they went up to eighty cents, which looks good. So, these guys they

think it's going to jump next year. It's a risk. You start a business and you take risks. You invest and take risks.

Mr. Bentley: And we're looking at a 20 year deal. So, looking at today's market prices you have to have a wider broader picture to understand the risk.

Legislator Scudder: I think where we're coming from on this- it wasn't too long ago we were hearing a million dollars a year guaranteed for ten years.

Ms. Crow: That is still the goal as part of this negotiation.

Legislator Scudder: Right, but it was presented to us- maybe my absorption of the presentation was and I even said it, I think in committee, that this sounds too good to be true. So now we're hearing with that company that it was too good to be true and we're hearing \$2 down to \$.60. That's my-

Mr. Bentley: But it wasn't the company, it was the market.

Legislator Scudder: Yeah but these companies are in the business of doing this. They're not going to give you a million dollars a year if they're losing money. Anyhow, my question is for us to go forward with this company does it cost us anything?

Mr. Bentley: Legal fees.

Legislator Scudder: But we're not building buildings, we're not putting in pumps-

Mr. Bentley: No.

Mr. Panteli: No. They are investing. They are the developers.

Legislator Scudder: It's their investment?

Mr. Panteli: Yes.

Legislator Scudder: We're not going to be doing another debt service-

Mr. Bentley: No.

Legislator Gould: We're going to have this building up there full of this expensive equipment.

Mr. Bentley: Not we- they. It's not ours.

Legislator Gould: (*Inaudible*) our building up there-

Mr. Bentley: No. They are going to build the RNG plant. We won't.

Legislator Gould: We've already got one.

Mr. Bentley: We have a power plant.

Legislator Gould: What are we going to do with that stuff?

Mr. Panteli: We're going to mothball it and maintain it until the market comes back and then we can reuse it. That's what we're planning to do.

Legislator Gould: O.K.

Mr. Panteli: But bear in mind that those engines are ten years old and they have a lot of hours. They are fully depreciated. They are not going to be worth much.

Legislator Gould: Do they still run?

Mr. Panteli: Yeah, they still run. It's like your old pickup truck. Its ten years old and it still runs. How much is it worth?

Mr. Bentley: We have a lot of those over ten years and they still run.

Legislator Gould: I don't remember what it costs to get those engines.

Mr. Panteli: A million bucks each- \$850,000.

Ms. Crow: I'll also point out that currently in the EE fund we have about \$2.5 million fund balance, which in the last two years we've had to draw on to offset our loses, but that is kind of a safe guard so to speak if we had a situation where we really still needed to transfer- I wouldn't recommend it because I would like to keep that there to reserve for debt service if we need it or until the debt service is paid. I'm just bringing it up because in a worst case scenario we have \$2.5 million in that fund balance.

Legislator Nazzaro: How many years are left on the debt service?

Ms. Crow: 2026 is the first year that they're callable I believe and then there's a few years after- it's not quite ten. There's actually four different bonds so it's not like \$300,000 for all of those years.

Chairman Hemmer: O.K.

Mr. Bentley: Any other questions?

Legislator Chagnon: Yes. The revenue in the operating budget was up by \$334,000, however there's a new entry revenue of sale of electric power market capacity of \$1 million. What is that?

Ms. Crow: That's the million that we would receive and then transfer to the general fund.

Legislator Chagnon: O.K., so that's-

Ms. Crow: I mean, we- like a said, this budget kind of- to a certain extent it's budgeting two different things at the same time, but the net effect of the budget is to transfer a million of what would be considered net profit and that's always what we have done with the energy plant. Whatever the net profit is is what gets transferred over to the general fund.

Legislator Chagnon: O.K. You really are budgeting for reduced income from sale of electricity.

Ms. Crow: Yes, but see if things are negotiated what will happen is really what would happen to this budget once we sign an agreement is we wouldn't have the- correct me if I'm wrong Pantelis, but the way I understand it is the operating costs will go away and the revenue based on production will go away and will be replaced with just the payment that we get from the new vendor and then we'll have our interest payment and those would be the only two line items in this budget-

Legislator Chagnon: My point is from the operating perspective you're not- you're almost assuming that we're going to be running the electric generating plant for the year.

Ms. Crow: Yes.

Legislator Chagnon: That's the conservative approach to it and I'm happy about that. You're not looking at this pie in the sky and saying oh yeah we're going to have renewable natural gas in affect in a year or something.

Ms. Crow. Like I said, a lot of things were happening from the time we put the budget in to the time that we finalized the tentative in the last couple of weeks things are evolving and so the budget kind of- if we signed a deal tomorrow then I would come back to you with the way it should be amended to reflect the actual transactions that will occur.

Legislator Chagnon: Right, but as it currently stands its conservative. Good.

Legislator Nazzaro: Because Pierre asked that question it led to another question. I just want to understand- the profits are transferred over from the energy plant to the general fund, so if we got the million and then that- looking at the sheet you've got here are you going to have enough profit to transfer that whole million or are you only going to be transfer- if you've got a loss it's going to be offset- I just want to make sure-

Ms. Crow: We won't have the operating loss anymore. That will go away because they're going to be operating it. All we will have is an interest payment and income from them to us.

Legislator Chagnon: The operating loss would come out of the reserve.

Mr. Panteli: It's not an operating loss per say. It's the payment for the debt. That's what makes the whole thing under.

*(Cross-talk)*

Legislator Nazzaro: O.K., so a portion of its coming out of the reserve and a portion are really coming from this million dollars. At the end of the day you're going to transfer a million.

Ms. Crow: That is the way it's budgeted.

*(Cross-talk)*

Mr. Bentley: Good to move on?

Chairman Hemmer: Yes.

Mrs. Dennison: Mr. Chairman, if I could make a suggestion, I don't know how *(inaudible)* you feel about this but since we're running behind but if we take a lunch break we could come back to the 1 o'clock schedule and do the DM fund at the end of the day.

*(Cross-talk)*

Clerk Tampio: I could get in touch with Tom Walsh and Scott Cummings and see if they could come later if you wanted to do it right after lunch.

Mrs. Dennison: We could also delay the capital projects until later?

Chairman Hemmer: We could do that.

*(Cross-talk)*

Chairman Hemmer: Yes, let's do machinery funds before lunch.

### **Machinery Fund (DM)**

Mr. Bentley: If you go to road machinery DM 5130.

Chairman Hemmer: O.K.

Mr. Bentley: Personnel services- change in allocations and charges to capital. So, we're up a little bit here. This is like the welders, mechanics,-

Mr. Zafuto: It's the welders. They weren't working on the bridges as much, so we weren't needing the capital amount we said we were going to charge and there's a point three of a mechanic that was charged to CARTS that's now charged to the DM fund.

Mr. Bentley: Again, it's unwinding the crap I can't keep track of. So, now I can get a truer picture of what's at the highway, what's at CARTS, at the landfill and everywhere else. So, again that's all part of it. Equipment- we're increasing it by \$2,300.

*(Cross-talk)*

Mr. Zafuto: Well, the air conditioner (*inaudible*) and the recycler machine for the Sherman shop is about \$4,000. A small trailer to move the sander around for the Falconer shop and a transmission jack for Sheridan. It's kind of like the example Pantelis said about the refrigerator-

*(Cross-talk)*

Mr. Bentley: O.K., going to contractual. So, at the high level this is what we pay for gas and diesel. I'm going to hand out because I know everyone is going to ask questions. These are historical budget forecasted prices. For 2020 we're going to be down 10 cents for gasoline at \$2.10 and for diesel down 20 cents at \$2.40. This is based on a twelve month average ending June 2019. So, as most of you probably- if you've fueled up your car for the last year gas prices really haven't changed a whole lot. It's been fairly steady, but as we all know it can change in a heartbeat. So, this is what the county does for their budgeting for all their vehicles and their vehicle costs. This number portends to all those calculations. With that, you can see that our contractual is down a little bit. That's due to price and again we also sell- it's what we use and what we sell, so there's more than one variable here and not just price- it's volume and also what buses use, what the police use- whatever it is will get adjusted off of this. So, this is the ultimate- this is my best guess and I will guarantee you that I will be wrong. At the end of the day I challenge anyone to do a better job than I am. Bring it on. Again, there's various ways to forecast a gas price. You could do it based on futures. I think the futures are a little too volatile. I actually like the historical average better. It gives us a better history and it's more recent.

Mr. Zafuto: And then we just have to look at the variables which you all know is how much fuel we're actually using- what the usage is. If you have a hard winter that starts early and runs late and you're pushing a bunch of snow with heavy trucks you're going to be using more fuel.

Legislator Nazzaro: As you replace your vehicles are they more- well actually they're all diesel-

Mr. Bentley: No, they're all gas.

Mr. Zafuto: No, the big trucks are diesel.

Mr. Bentley: Oh, sorry. The CARTS buses are gas.

Legislator Nazzaro: My question was as we replace vehicles-

Mr. Zafuto: On the big ones you'll see maybe a couple gallons-

Legislator Nazzaro: It's minor?

Mr. Zafuto: Yes, but it adds up. It does make a difference and some of the materials get a little bit lighter, technology is certainly making- as far as emissions and stuff although some of it gets held back from the emissions control so you lose a little bit of what you might gain. You can also lose just because of added on emissions control systems in the diesel equipment.

Mr. Bentley: But as you can see from the forecast in 2015 there (*inaudible*.) So, if you think that someone can do better. We do adjust- what this does is it goes into the calculations for the asphalt pricing because- and we get escalation and de-escalation factors I think for most of this year we're run below the numbers slightly. So, maybe we're saving a dollar a ton or something. That means we can do more work with the same dollars.

Increase in employee benefits- it is what it is. Going into the revenue side- well, if you decrease the price that's the amount that we get from the (*inaudible*) in shared services. So, we have an associated decrease in the revenue.

Use of money – this is-

Mrs. Dennison: Interest on the D funds and it's been moved. As you can see from the comment it was in a different department. It was an interfund transfer department, which is where it should be, so we're looking-

Mr. Bentley: Where it should be. Sale of property- we've been trying to clean up and clean house and get rid of our scrap metal, so we project a little bit less this year and we have still have another effort to further clean up stuff.

Miscellaneous- this is actually what we decreased in the price per gallon for our CARTS buses. So, it's kind of in house selling. We do not charge a premium to them. So, we separate out the muni's and external county parties from internal customers. So, I guess we're treating people a little bit differently but it makes sense to me.

Interfund revenues- this is charges for-

Mr. Zafuto: It's for parts and equipment that our mechanics put on other county departments vehicles and equipment. It goes into the interfund through the DPF work order module.

Mr. Bentley: So, when we do work on Sheriff's cars and-

Mr. Zafuto: Basically all we charge them for is oil, but that's where that revenue we receive from that oil ends up in this account.

Mrs. Dennison: Jay, this is the answer to your question from earlier. Interfund transfers are just taking money from one fund to another. Interfund revenue is payment for products provided to organizations outside of the M fund. Like Sam said, selling oil, parts that they put on our cars-

Mr. Bentley: Things that aren't- vehicles that aren't DPF like the Sheriff's, like DSS, DHS, emergency services,-

Mr. Zafuto: Basically all other county departments use our mechanics at some point in time.

Mrs. Dennison: Is this in the county change now that we have this new work module?

Mr. Zafuto: Yeah, it used to just be a journal entry. This was a change as of October of last year.

Mrs. Dennison: But it wasn't-

Mr. Zafuto: We would have charged, but it would have been in shared services. When they put the module together that's where Todd wanted this portion to go.

Mr. Bentley: The way we've structured it with the Sheriff's is they have their own mechanic; they just use our facility and resources. It simplified the accounting and saved a lot of time on personnel entry, so we're actually gaining a lot of productivity hours out of the way we've structured this.

The other thing I wanted to add- all the equipment that we bought. You know where your \$2.5 million went. So, we bought vehicle lifts up in Sherman- about \$87,000. A new grate all up in Sherman for \$384,000. We bought a hot patch truck which is about \$210,000 and what that is used for is to keep our asphalt warm because what ends up happening in the winter or when it gets cold is we waste a lot of material because it cools off and we have to ditch it. So, you might only get a small amount of use out of a- we actually tried to burrow the City of Jamestown's, but as you can imagine when it's in demand it's in demand and you can't get it. So, we decided to invest our money wisely and it's a great efficiency for our trucks, for our crews and for material. We got four plow trucks- \$900,000. New fuel tanker truck- \$148,000. The other one was in pretty bad shape. You don't want a fuel truck to be in bad shape. Two wheel loaders- those are front loaders. There's an adjustment for the lease vehicles. I'll point this out- this was the net amount that is being moved from capital back into the capital reserve fund. I'm making this note and I'm putting myself on record in the minutes that this money is really being targeted so that in my operating budget when I have to pay the next four year lease payments this is what that equates to. I'm giving up my money in this capital account to pay for something in operating even though I can't move the money physically there. I want it to be known that year after year I don't want my budget to be dinged because I gave up all this money at once. It's to be repaid back over four years. Alright? It's in the record.

The patching roller we got with the left over the money and the planning board actually came out and saw it. It had a cracked water tank on it. It's about eight years old and that's not good for rolling if you can't keep it cool. So, that's our \$2.5 million and where we spent it.

Legislator Chagnon: What are the statuses?

Mr. Bentley: Closed means it's here- it's been ordered and is in use. Encumbered means that it's been ordered and not here yet. I think everything should be here this year. That's road machinery. Questions?

Legislator Gould: How come you bought medical supplies in 2019 and you don't buy them any other year? It's not much money but I'm just curious.

Mr. Bentley: We're no longer allowed to buy aspirin or Tylenol because now it's medical things. We do have first aid kits, so depending on when they need to be restocked-

*(Cross-talk)*

Legislator Gould: But why did you do it one year and we haven't in-

Mr. Bentley: Band-Aids last more than a year, right? But if they get used you have to replace them when they get used. The other thing is it probably takes five years until someone notices everything's gone. How's that answer for you?

Legislator Gould: That's better.

Chairman Hemmer: O.K., that brings us to the end of the machinery fund.

Mr. Bentley: I've got three more to go, but if you want to break for lunch-

Chairman Hemmer: Yes, what's the feeling of the two committees? Is it time to break for lunch?

*(Cross-talk)*

*Committee then took a 1 hour lunch recess.*

## **Highways Fund – D**

Chairman Hemmer: Let's begin our afternoon session- the D fund.

Mr. Bentley: D-Administration. So, this was the fun of the administration staff being allocated all over the place and the purchasing agent being moved to purchasing for the centralized purchasing function. The net of all that is down \$5,000 in personnel services.

*(Cross-talk)*

Mr. Bentley: Personnel services- again this was the allocation changes of me being split between everywhere else and me coming back into this picture here and we also moved out the purchasing agent to centralized purchasing, so the net of all the stuff coming in and going out is about \$9,000. Contractual- we were given then opportunity to take over the brownfield monitoring of the (*inaudible*) sites up in Dunkirk. This was done under scattered sites. There's some wells out there that need to be monitored and reported on to the DEC every year. The cost

of that is probably around \$10,000. We're putting it out for bid this year, but since there's no more money in scattered sites and scattered sites accounts is closed, it has been determined by Kathleen and others that I shall be the recipient of this budget item. So, I have included it in this year's budget for 2020 and I'm not quite sure where I'm getting the money from. So, that's contractual. Employee benefits- again, it is what it is. Departmental income- is basically maps. We charge a buck if someone wants like ten maps. If someone wants a map we give it to them. So, we generally don't- projected \$32 this year. Questions on admin?

Moving on to maintenance of roads/ pavement parking- I'm going to start with the blue column there where it says projected versus 2019. We're showing an underrun of \$307,000. There's a couple of things that are going into that projection. We have a lot of retirements coming on and retirements will probably continue for another year or two but you can't guarantee it. It's very variable. This also represents the time it takes to fill a position from the time it's empty. We're averaging about 14-15 retirements per year. That's between the landfill and the highway because at that point they're all kind of in the same group setting as far as skill sets. So, we do expect it to happen. We are having a hard time finding road maintainers. It's still coming in hits or misses.

Mr. Zafuto: We currently have one opening. We just hired two new people this past week.

Mr. Bentley: And we'll probably expect a couple more retirements at the end of the year. We're averaging about one a month- one to two a month, so it's up there. That number represents the churn that we have. The other thing it represents is obviously the FTE, changes to the road maintainer that's in there, the CARTS mechanic-

Mr. Zafuto: No, it's just a point five of a road maintainer and then .36 of two MEO's that were allocated to the airport and are now back in the maintenance of roads.

Mr. Bentley: And probably some various other things. Step increases- the other thing I'll make note of for Chuck is that we have already included charges to the airport hangar, so the charge is to the capital, so we reduced our budget number for that. I think it was twenty-eight thousand of the highway money. So, that's in there and already allocated and the rest of it will be the airports budget at that point.

Under equipment there's a need for some laptops in the trucks just to do communications and work and stuff like that.

Mr. Zafuto: Yeah this is the year they were scheduled for replacement.

Mr. Bentley: They don't get replaced every year; they just get replaced on a cycle with IT. Under contractual- so if you remember my opening line this is maintenance of roads. This is where I had asked for an additional \$400,000 to be put in there. This really is our bread and butter on the maintenance side. This goes to what level of service we want to maintain our roads at. I will tell you that I've heard from a number of legislators and many constituents about the quality of our roads, the shoulders, the edge, the pavement markings, the paint, the potholes- that \$400,000 goes to answering those questions. Without that money it gets harder and harder to

answer those questions in a legitimate way other than point the finger and I hate doing that. I don't have enough money or resources to do it.

Legislator Niebel: Plus bridges? You said that this morning?

Mr. Bentley: Yeah it's any maintenance. There's the capital improvements where we do large scale repairs or replacements.

Mr. Zafuto: Under capital is where most bridge charges are, almost 99%.

Legislator Niebel: But this morning I think you guys said bridges and maintenance?

Mr. Bentley: Yeah its roads and bridge maintenance. So, if there's maintenance on the approaches to the bridges or on the railings or whatever it is that- if they're going to go patch up some concrete that's not a capital project. They have to go and actually- or do additional welding, that goes all under the maintenance of this. If there's one message I want to send is this is important to me and I think it should be important to you because it answers all of the questions I get from not only the legislators like hey, can you go fix this, can you go take care of this- if I don't have this money it puts me in a bind. I have to make choices.

Legislator Niebel: Brad, if it's so important to you why didn't you fight harder with the County Executive to keep it in his budget?

Mr. Bentley: I did.

Mrs. Dennison: He did.

Mr. Bentley: I'm making my case here. I'm probably at the- Jenn asked me if George should be here and I said not for all of it. Look, we all have decisions in life. I feel it's my job to tell you what I believe and that doesn't necessarily have to be what everyone else believes in, but I see what I see and that's what I can tell you.

Chairman Hemmer: You're already (*inaudible.*)

Mr. Bentley: No, that's the benefits. Go up to the line before, it's actually decrease sixty-three thousand. I asked for \$400,000 on top of that. This shows a decrease to the budget.

Legislator Nazzaro: When I look at the detail-

Mr. Bentley: There's a lot of moving parts and pieces and we tried to consolidate, so you're going to have to add a couple things together to get to where I need to go

Legislator Nazzaro: Yeah because other contractors-

Mr. Zafuto: Yeah other contractors and operating supplies where all the maintenance of road charges go we just consolidated them into one account.

Mr. Bentley: You have to add the ups and downs but the net will be down- well, again this shows after the County Executive.

Legislator Nazzaro: When I take other operating- I'm on page 7 of 10. So, when you take other operating- the amended budget was (*inaudible*) but then I've got to take that other contract-

Mr. Zafuto: Yeah the other contractors would be added into that number.

Legislator Nazzaro: So, actually you're a little less than what was budgeted before?

Mr. Zafuto: Yeah it was \$1,650,000 and now its \$1.6 million. We originally asked for \$2 million in that line item.

Legislator Chagnon: Brad, the paving of roads would be included in here?

Mr. Bentley: To the extent that it's maintenance item (*inaudible*) like Centralia to Stockton- that was done by a contractor- that's a capital project refunded by CHIPS or PAVE NY. This would be patching potholes, this would be taking a road and doing the strip on the edge to repair the shoulder, so paving only that little section of the road, guard rails, painting of lines, this is vegetation clearing, this is signs, this is everything that goes into just keeping our roads safe.

Legislator Chagnon: Repaving roads is done as a capital project?

Mr. Bentley: To the extent- when you say repaving I just want to say if it's a whole shoulder to shoulder we will tend to make that a- unless it's a very short section like a bridge approach or something like that we might have to call that under maintenance. It goes under the rules of what you'd call a capital project or not.

Legislator Chagnon: O.K., if it's a capital project are they all done by contractor?

Mr. Bentley: No. Actually, we do things cheaper in house but there's a state law that says we have to contract out any project that's over \$250,000. We're trying to get that increased because this day in age that number has been there for a long long time. We're bound by state regulation to farm it out if it goes beyond or we have to bust it up into pieces.

Legislator Nazzaro: How much was that again?

Mr. Bentley: \$250,000, which is not very much at all. It's a very small number. There's been a lot of lobbying efforts at the state level to get that number increased but they have not budged. I imagine the contractors are lobbying very hard on the other side because they don't want to lose the business because they know in house we can do it cheaper because we don't have profit margins; we do it at cost. There's a reason why I'm doing the parking lot myself. It's cheaper and as long as I've got the time I'm going to do it.

Legislator Gould: How many miles of roads do you repave in a year?

Mr. Bentley: We have 551.8 miles of county roads. I repaved 5 miles. I stoned and chipped 80 miles. We did some nova (?) chip with the contractors- I think that was another 7 or so.

Legislator Gould: Do you farm it out?

Mr. Bentley: Only those that cost more than \$250,000.

Legislator Gould: How many miles of roads is that a year?

Mr. Bentley: That we farmed out? Like 6 or 7. We did county road 70-

Legislator Gould: About the same as what you're doing.

Mr. Bentley: Yeah. We also do help out under shared services all the towns and villages, so they use our paver and our crews to do the paving, so our crews will do more than just ours, but it's not our money. We provide a lot of benefit to the towns and villages which is why we have shared services. I'm not saying it's a bad thing. It's actually a good thing. I think it makes the county as a whole more efficient, but it is what it is.

Legislator Niebel: Between what we do and what you contract out- roughly 2% per year?

Mr. Bentley: Yeah. I stone and chip and-

Legislator Niebel: We're talking paving?

Mr. Bentley: Yeah, I'll give you the projects. We did a little bit in Celeron by the Harbor Hotel, we did Sinclairville-

Legislator Niebel: You don't have to give examples, I just wanted a percentage.

Mr. Bentley: Very small. We're putting Band-Aids on them and we're cutting \$400,000 out of maintenance.

Legislator Nazzaro: Well, you didn't get the additional amount you wanted.

Mr. Bentley: Well-

Legislator Nazzaro: They're basically keeping it-

Mr. Bentley: Just remember escalation charges. We haven't really increased this line item in years- maybe like 10 years and you're going to tell me I'm sitting with the same costs I had ten years ago? I don't think so.

Chairman Hemmer: The usage of the- we're still doing traffic counts aren't we?

Mr. Bentley: We're doing traffic counts and every road is rated every year. We update the ratings.

Chairman Hemmer: Is there more or less travel? Are the roads getting used more? Are they getting beat up more?

Mr. Bentley: We will adjust our fix depending on road usage, so the roads that get used the most get the best fixes.

*(Cross-talk)*

Mr. Bentley: You can hear the passion in my voice. I've been in the job a year. There's a couple things I'm passionate about. I feel for the road guys and it's because of the complaints I get. I hear constituents saying they want more. They want the roads to be better.

Legislator Nazzaro: So basically you're asking- well, what you'd put in there was roughly a 25% increase. So, let's say that was given to you and it was left in there- that's the materials? So as far as your crew does your crew have to incur additional labor costs to do that?

Mr. Bentley: No, I would just say we have choices.

Legislator Nazzaro: How do you adjust the crew to adjust- without increasing staffing how can you get another 25% with that?

Mr. Bentley: Let me explain it this way. How many people did we have 20 years ago? A lot, probably double. We had people that could get everything done 20 years ago. You could do all the sign replacements, you could do all the vegetation and a lot of things that don't require material costs. There's a lot of things that are just general maintenance. We now have to make choices; how often do we send people out to mow, how often do we go out to do vegetation- if I have more material that I can lay down and improve the shoulder I'll put my guys there as much as I can. I will never get everything done I need to get done in a year. It's just not going to happen. I don't have the resources. 20 years ago, yeah sure. You asked if I would run into overtime? No, I'll run out of money for materials before I run into overtime.

Legislator Nazzaro: Some of the other things will be prioritized- you'll re-prioritize how people are spending their time and this is a higher priority than some of the other things.

Mr. Bentley: Yeah. I'm personally- I'd like us to have a higher level of service on our vegetation management right now. I think it's a little behind where we need to be but it's not the fault of the guys. We just don't have enough money or resources to get things done. The guys work hard.

Legislator Nazzaro: At this point in the season do you have many road maintenance projects left?

Mr. Bentley: Oh absolutely.

Mr. Zafuto: There's currently two bridges being replaced and we're actually doing a lot of signs currently.

Legislator Nazzaro: I guess the reason I brought it up is because are you out of money for materials?

Mr. Bentley: Yes. I don't have enough money to buy all the signs I need.

Legislator Nazzaro: I guess that really was my question.

Mr. Bentley: We're going to put in an order for about \$10,000-

Mr. Zafuto: We're waiting on the cost, but we haven't bought signs in two or three years.

Chairman Hemmer: You're replacing them because the reflective value is not there?

Mr. Bentley: I would tell you that- I've been driving past a sign on county road 86 coming from Falconer up here and right before the Pleasant View Cemetery there is a curve sign that is just yellow and you could barely make out the marking and it's been bugging me for the last year. I finally told them to just to go out there and replace it and they did but I have so many of those that need- and we typically do those in the winter when there's no snow. We send our guys out. They don't just sit in the shop. Maintenance season never ends.

Chairman Hemmer: The \$400,000 that you're asking for you think will make a big difference in your performance of-

Mr. Bentley: Absolutely. Is it the end solution? Absolutely not. When I ask my guys to give me real numbers I have enough confidence in them now that they know what I'm asking for and don't give me the B.S. number and give me the real number that they need and I feel this is the number they need to do their job. If you ask if they can use more, they'll probably say yes.

Legislator Niebel: The problem that the Legislature's going to have is to get that \$400,000 we've either got to take it from other departments or we've got to raise the rate- we've got to raise more taxes.

Mr. Bentley: Sure.

Legislator Niebel: And the problem with that is we're losing population. We're losing about 900 people a year and that has a detrimental effect on everything in the County. You have tough choices to make and so does the Legislature.

Mr. Bentley: I would just put it this way- I 100% agree with that statement. What I think is important is we have to communicate with the public- what quality of service and level service

our funds are able to provide and make sure there's a common understanding because right now the calls I'm getting show that there's a huge discrepancy between the expectations of the public and what we're allowed to do and that needs to be addressed because I'm getting tired of the calls and not being able to do anything about it. We're doing the best we can, but it gets tough.

Legislator Niebel: O.K., you're getting calls but so are we and so is the County Executive about the tax rate. Everybody wants the taxes decreased. On one hand they want the roads improved and maintained, but they're also concerned about the taxes too.

Mr. Bentley: I'm a tax payer and I'm concerned, but when I look at where I want my dollars spent- I use the roads every day. If I have to go repair my car because I hit a big pothole-

Legislator Nazzaro: Just to piggyback on Terry's comment- the challenge this year- I would be very supportive of giving something but I know the challenge we're having here and I know we're going to have on Friday is the levy's gone up, the tax rates the same- I'll go on record- I'm not against raising the tax rate this year. I am supportive of raising the tax rate and I'll do that speech another day, but I've sat here long enough and it's the right thing to do because we're getting ourselves in a hole. The challenge is- I just want to put it in realistic terms is that where it's difficult to find the money for you is we can only raise the levy so much. There's not a lot of room to be under the 2%. So, we only have about \$718,000 that we can add to the levy, which would cause the rate to go up and we've got a million dollars with a big question mark next to it from what we just talked about- the energy contract and then we're taking just over a million out of fund balance already, so the only way we could get that money without finding some big savings somewhere else would be- we're going to be bumping against our limit. I'm willing to go up to that limit. I just think it's time that we looked what our projects are for 2024. I just don't know where to find it.

Mr. Bentley: My job is to educate what I've learned so that you guys can learn along with me and know what I know. The other thing I would add to it looking at the long term is the more you defer maintenance, the more costly your repairs become at the end of the day because instead of just doing an overlay, now you're going to have to be into deeper repairs. It actually costs us more money if we don't do enough maintenance.

Legislator Nazzaro: The only place right now we could get that money is through tax rates, which is fine or out of fund balance, which I'm not willing to dive into. I'm just explaining the difficulty on our side.

Mr. Bentley: Right.

Legislator Chagnon: Brad, you mentioned earlier shared services. My understanding of shared services is you help out the municipalities with some things and they help out you with some things. I assume you keep a ledger of how much you're helping municipality A and how much they're helping you to see how the balance is looking?

Mr. Bentley: Officially the whole concept of shared services is you don't keep a ledger. Unofficially we know how abuses us and who doesn't and who gives us return items. I'll tell you

for the parking lot out here I think it was our grate all broke and we borrowed the village of Mayville's. When we were hauling excavation dirt away we got a couple guys from Chautauqua but we don't balance. It wasn't meant to be.

Legislator Chagnon: Overall does it balance?

Mr. Bentley: No, of course not. It wasn't intended to be.

Legislator Chagnon: It wasn't intended? By whom?

Mr. Bentley: The guys that created shared services. The resolutions. The whole point of it was not to do the ledger counting because if you get into I give you a dollar and you have to give me a dollar back the towns do not have enough resources to give us a dollar back. That was the whole point of the shared services.

Legislator Chagnon: The point of shared services is that the county tax payers are subsidizing the municipalities?

Mr. Bentley: Sure. The towns-

Legislator Chagnon: What resolution was this?

Mr. Bentley: The resolution that created shared services.

Mrs. Dennison: I'm not familiar with that resolution. I'm not saying it doesn't exist, I just don't know where to find it.

Legislator Niebel: Brad it doesn't have to be two for one. We can get it so it's closer to being even, right?

Mr. Bentley: No. The concept of the county getting back what they give is-

Legislator Niebel: I didn't say getting back the whole thing, I'm just saying make it more-

Mr. Bentley: Some towns have nothing to give. We know the ones that have. We rely on the City of Jamestown and Dunkirk pays us back. We know we all have tough jobs. We know we are all faced with the same problems.

Legislator Niebel: I understand that but if we're spending twice as much of our time and money-

Mr. Bentley: Clarify the money part.

Legislator Niebel: I'm just saying for example if we could make that figure closer to even we'd be better off because we're subsidizing-

Mr. Bentley: It's not money. It's the time and equipment because for shared services they have to provide the materials. If we're going to go out there and paint they provide the paint.

Legislator Scudder: Another way to look at that is we all live in the county; we don't all live in the town of Mina. So, when we helped out the town of Mina they're still county people-

Legislator Niebel: I understand but-

Legislator Scudder: We're all county taxpayers.

Legislator Niebel: I'm just saying if it's disproportionate can we make it so it's closer?

Mr. Bentley: You need to talk to the towns because this is not how this has worked. I'll have to dig up where the shared services agreement came to be because it was something that was agreed to by the Legislature.

Legislator Niebel: That's not necessary for me because historically that's been our policy and I think it should continue to be the policy. I would just like to see it evened out a little bit more.

*(Cross-talk)*

Mr. Bentley: O.K., let's move on to capital improvements. As I mentioned in my opening remarks this is where the \$850,000 of complete streets was taken out of. This is for our capital improvements to roads and bridges, so this gets paid for by the revenue below. \$750,000 is DMV fees. Again, you see the permit fees moved from engineering to here. We had a slight decrease in our CHIPS and Pave NY award and that is a- we are typically not adding new roads to our system. It's been pretty stagnant but other counties add roads and the reimbursements from the state are based on mileage. So, the more other people add, the more money we get and the less we get. That's why we see a slight decrease. Federal Aid- this is another attempt at trying to make our books more understandable. We had lumped all of our funded bridges into one book and if asked how much a bridge cost I couldn't figure it out because it was put in one little bucket. So, as we get a bridge NY bridge we're putting this into another item and taking it out of here.

Mrs. Dennison: I mean the funded bridges and funded roads are sub departments of this department, so when you're looking at the D112 page it would be roads that the county pays for by our property tax dollars as well as roads paid for by other sources. In the detail you will see it's broken into separate sub departments for funded roads funded by non-county dollars and funded bridges.

Mr. Bentley: It's a way of doing a little bit more project to project accounting versus- it's the only way I can understand these things. Any questions on this?

Chairman Hemmer: Are there any county roads that are so lightly traveled that we could get rid of them and send them to a town or something like that? Get them out of our budget?

Mr. Bentley: We're actually trying to abandon a closed road in Sinclairville right now. In order to close a road you have to pay homeowners I think it's upwards of \$5,000 a person for the inconvenience of closing the road if they are living on or near the road because we have received funding to pay for those roads. So, the answer to your question is yes we could look at closing them, but it may cost us more money than maintaining them.

Chairman Hemmer: How about the opportunity of making a deal with the town of taking it over if it's –

Mr. Bentley: You tell me what town you want to go to and we'll go together and you can ask that question.

Chairman Hemmer: I'm just asking. I'm trying to find spots in your budget where we can-

Mr. Bentley: I appreciate the attempt, but I think I know the answer to that. We took over all the bridges that were over twenty feet long. They came to us. It didn't go in the other direction.

Legislator Niebel: What was that? All the bridges over what?

Mr. Bentley: 20 feet. We maintain them now. There's some slight exceptions, but very few.

Legislator Niebel: When did we start doing that? Years ago?

Chairman Hemmer: It was a number of years ago.

Mr. Bentley: It was way before my time but I would say within the last ten years.

Legislator Nazzaro: More than that.

Mr. Bentley: It's been awhile. Anything else on capital improvements? Let's go to salt. I'll start with the price. Our pricing is going up by \$8 a ton. It's going from \$68 to \$76. That's the indicative salt price. We've had many discussions when I first got here about the changing of the salt from an asset to an expense and how the money was not allocated properly or allocated enough to cover what we needed to buy to maintain the roads, so we had to do the resolutions to add the money in 2018 to buy enough salt to make it through the winter and just to fill the barns. That problem continued in George Spanos' budget for 2019, so I'm still seeing those effects this year and it's coming in a resolution to just buy enough salt to fill the barns this year by about \$500,000. That's been talked about and Kathleen's been aware. This isn't necessarily new news to some folks. For the 2020 budget I guess the agreement has been to fund it at kind of what we spent last year, so it's \$2.4 million. That will be a nice attempt at trying to get me out of the cycle of having to come back and ask for a half a million dollars to fill the barns. I'm praying for a

light winter but that's kind of what's in the budget right now. On the revenue side highway is no longer charging buildings and grounds for snow removal (*inaudible.*) Because the price of the salt increased I would expect a little bit of revenue increase for that. I'll take questions.

Chairman Hemmer: The more salt we use the more road maintenance we need, right?

Mr. Bentley: I would say in that narrow view the answer to your question is yes.

Chairman Hemmer: Do we use- how do we do it now? Do we use straight salt?

Mr. Bentley: Yes.

Chairman Hemmer: We don't mix it with sand? I'm just thinking about the way the towns do theirs.

Mr. Bentley: No. Ours is 100% rock salt. We've set up our equipment to do rock salt. To change to a mix we'd actually have to modify all of our trucks and equipment. The sanders are built for salt not a salt and sand mix.

Chairman Hemmer: I didn't realize that they could only handle salt.

Mr. Bentley: They would be able to- you don't have to replace the whole thing, but there are modifications that would need to be made and - one of the things that when you go to a salt-sand mix what are you saying to the public? I'm going to have-

Chairman Hemmer: That you're trying to save money?

Mr. Bentley: Sure, but I'm also going to have- there are going to be snow covered roads. If you go to a town road that uses a sand mix they are snow covered. We're telling the public that the service level we're going to provide now if we go to that mixture is we're going to have increased times when we have snow covered roads and when the snow melts off we'll have sand on the roads which decreases the ability to stop on a road. I grew up in Panama. My ability to drive at the speed limit in the winter- you couldn't even get close to it. I had this discussion with Jay. You'll be in the ditch if you want to do that. So, now we have public safety- public liability and if we're not communicating that liability we're putting ourselves in harm's way. Is the cost worth the reward?

Chairman Hemmer: I'm just thinking if this is a place we could make up that \$400,000 that you need? Can we cut enough out of our salt budget to make a difference?

Mr. Bentley: Here's the other thing that happens with sand- if you put enough sand down it builds up the shoulders on the roads. The whole part of our shoulders- if they are properly done it should drain water off. You'll have sand buildup on the edge and now that you have a lip the water retains on the side and freezes and you actually damage the edge of the pavement because that's where your freeze- thaw cycles are happening. So, you've actually decreased the ability of

the shoulder to properly function. Look at a town road and tell me the quality of a town road versus a county road.

*(Cross-talk)*

Mr. Bentley: I think that maintaining the salt is the right thing to do. The technology in the trucks is at the drivers fingertips. The trucks have tickets; we know the rate and how much they put down. If a driver is putting it down too much and we find out about it we'll correct the drivers actions. We have GPS- we're very efficient with how we do salt. It's not like it used to be. That's my personal recommendation.

Legislator Niebel: I had asked Brad- we charge the municipalities extra for gas and diesel, couldn't we charge the municipalities a little bit more for salt but the discussion turned on shared services. I was thinking that perhaps if we charged the municipalities an extra buck we could get closer to that \$400,000 that we lack-

Mr. Bentley: I think you guys are aware- there are five or six towns that we pay to play county roads because it doesn't make any sense for our guys to lift plows when we're going along and it doesn't make sense for them to lift plows, so we pay certain municipalities to plow our roads. So, if we get into this they will charge us back-

*(Cross-talk)*

Mr. Bentley: O.K., so for the winter of 2018-2019 we used – I think this was the county numbers not including the sales- we did 35,444 tons. In 2017-2018 we used 35,900. In 2016-2017 we used 34,200. It is variable based on weather and pricing back in 2010 was around \$48 and now we're at \$76. The idea that we're putting down more salt than we used it- I can tell you that in 2014 we almost put down the same amount of salt that we do today. What changed? The price in 2013 and 2014 was \$45.

Chairman Hemmer: And back then we didn't have the highly computerized-

Mr. Bentley: Well it's really weather dependent. I will say this; I think the amount of freeze-thaw cycles is increasing and just remember it's not the air temperature, it's the temperature at which water freezes with the salt. So, it's not necessarily at 32 degrees, it could be at 20 degrees. When we get water on road we have to salt it otherwise its ice. I don't care how much sand you put down on ice, it's going to be slipperier than hell. I would like to thank Kathleen and the County Executive for making it so the 2020 budget doesn't mean I'll have to come back and ask to fill the barns again. I think that should be applauded. It was a large ask and I know that and hopefully that stays in there. Transfer to other funds- Kathleen you're up.

Mrs. Dennison: This is just the money that comes into the D fund from the A fund to pay for everything the D fund can't pay for on its own. So, it's the transfer in from the A fund so that the local share in the D fund is zero and we are not using any D fund balance because there is not any to use. So, that's one reason that the transfer is a little bit higher this year. You'll also notice

that there is no interest income- that's a pretty big hit because there is no money on which to earn interest.

Mr. Bentley: Very logical. Any overall questions? Can I leave on a positive note? I've had the job for a year. We talked about a lot of things today. We've talked about a lot of good things. We do scrape by and we get things done and we do what we need to do. My challenge to you guys is figure out how we can get a little bit more and do a little bit better. A little bit more will do a lot of good. So, that's my challenge to you all is that I see the needs and what you do give us we use efficiently. You guys do give us a lot of money and we provide a lot of services. We all should be proud of that. I want to thank you guys.

*(Cross-talk)*

Chairman Hemmer: Thank you. Moving right along-

### **Water & Sewer Districts** **SCCLSD**

Mr. Walsh: We have 17 employees. Next year we have a point five position. This gentleman is a senior project coordinator. We brought this position on to assist in the sewer extension that we are now working on with the engineer firm GHD. So, \$60 million contract- we're working with them and this gentleman is an engineer that is assisting the liaison between the engineer firm and the South & Center board. He is tentative, part time, no benefits and less than 19 hours a week.

Mrs. Dennison: And the capital project pays for his compensation.

Mr. Walsh: Personal services- step increases- it's a very trending budget for the most part. One of the large expenses that we have for 2019 is a CCTV camera van in the range of \$200,000. This is a camera van that we utilize to inspect basically the gravity sewer. It's over \$80 million of infrastructure in the ground and for most sewer districts they have no idea the integrity of their system. We fortunately are out there- we have a crew periodically and as often as we can with a 17 person crew inspecting it, cleaning it, pressure washing it with a flush truck and we also have the old capital system set aside that we're slip lining, pipe patching- by utilizing this system we have seen a significant decrease in yearly line calls with backup. We are making headway. As we go down through insurance is just trending. A lot of this is just trending and self-explanatory. Permits, interest and penalties- a lot of that is from the bills not being paid on time, which is quite a revenue that we can count on every year. Anything else on 8110?

8120- Again, it's a very trending budget. (*Inaudible*,) health insurance costs are always going up. Any questions on 8120? Quite honestly the one thing about our budget is it is trending and year after year we can see-

*(Cross-talk)*

Legislator Chagnon: Full disclosure- I sit on the sewer board and I'm the finance chairman of that board, so I kind of know this budget and I don't have any questions.

Mr. Walsh: It's been endorsed by Pierre. 8130- the one thing you will see in the 8130- this is the wastewater treatment- we do have some additional costs because we will be doing some additional treatment next year at the sewer district. We will not only chlorinate the water 12 months out of the year- we used to do it 6 months but the state has come in and said we will now chlorinate 12 months out of the year. Along with chlorinating 12 months out of the year they have also put in effect that we will now de-chlorinate 12 months out of the year. So we will have some additional chemical purchases in the 8130 as well. The state has also put some other guidance on us as well and on the capital side of it we will be starting shortly a \$1.8 million waste water treatment infrastructure upgrade. We will be changing some of the processes in how we treat the water for ammonia and the de-chlorination. We're also working with GHD on that as well. Any other questions on 8130?

Mrs. Dennison: Contingency is still in there.

Mr. Walsh: Yes.

Legislator Chagnon: Tom, how long has it been since we've had a rate increase?

Mr. Walsh: Well, we had a rate restructuring in 2016, but we have not had an increase since 2001.

Legislator Chagnon: That's testimony to a good operation.

Mr. Walsh: And quite honestly thank you to Kathleen because I really went to Kathleen for some really big questions this spring and she really ground out some great answers and Pierre and the finance committee sat down and for the near future we will not be raising rates and what a wonderful time not to raise rates because the sewer extension proceeding now it's going to come back to all the people in the South & Center if we were to raise rates because you're paying for the sewer extension, but I want you to know in the Legislature that there's not one dollar from the current South & Center customer that is being used on the sewer extension. The sewer extension is solely paid by the users. So, if that does come up- it's quite honestly a legal (*inaudible*) for a department to do that. All the money for the sewer extension is going to be paid for by the new sewer extension users. Hopefully in that timeline construction will start 2021 and be completed in the fall of 2022 if all the stars align. The construction contract will hopefully go out next December- January and then construction should start in the spring of 2021 and that will take us all the way through the hamlet of Stow.

(*Cross-talk*)

Legislator Chagnon: Great job Tom.

## **NCLSD**

Mr. Cummings: For my FTE's right now I've got 3.5 full time employees plus myself. The big change for 2020 is I'm looking to have the account clerk position moved to full time.

That's the big one. I've got the approval for both the North Chautauqua Lake Sewer Board and the PPD Board because that will affect the PPD budget also. It looks like we can still do that and remain profitable- in the black. Also, this coming year the North Chautauqua Lake Sewer District is going to pay 10% of the one mechanic II title. In the past PPD paid 80% and the North County Water and Sewer District paid 20%. That member does spend a lot of time in the north district so we felt it was only right that we spread that out. So, there's a change in my FTE's for this coming year. Hopefully that account clerk position can go to full time. That's something I really need. We run three districts out of our office that we take care of administratively and now we're also contracting with the Town of Chautauqua and their sewer district. I really am in need of a full time account clerk.

I'm going to go to 8110. Again, for personal services that was the big thing is the account clerk going up to full time and then for contractual we moved that engineering service. Last year it was out of administration and we moved that to the sanitary part of the budget because that's really where that service is out of. So, that's the big thing.

Revenue on departmental income- there's (*inaudible*) when you raise their sewer rate they tend to pay their bills a little more on time because they don't want to pay that 10% late charge, so there's a little change there. Then we have the increased contract with the Town of Chautauqua. In the past the Town of Chautauqua would pay us about \$7,500 a year to the north district to help maintain their package plant that's been decommissioned and now a new pump station put in and now there's 174 users in that district so that contract is looking to be around (*inaudible*) and that's a good thing for the north district.

Federal Aid- again, we applied for some grants to try to do some infrastructure repair I&I studies. So, that's something the district has been working on.

Sanitary 8120- again, that is part of the budget where the mechanic II title comes out of so that district will be paying 10% more. Our equipment is in good shape this year in the sanitary. We spent the last several years replacing a lot of pumps so our pump equipment is really in good shape right now, so we're trying to help save on our budget so we kind of lowered that a little bit to kind of help cover other areas of the budget. Under shared services is that contract with the Town of Chautauqua that has been an increase for us.

Treatment on 8130- there's just a few changes there. We're still working and trying to learn our phosphorus removal process which is working very well, but that cost increases our budget because of chemical costs, sludge hauling, we're still trying to go through some of that, so that's where some of the changes in our budget are.

Mrs. Dennison: Do you want to comment on the rate increase?

Mr. Cummings: For the north district we did a rate increase that took place September 1, 2018, so we're one year into that right now. That has really helped with our cost and our revenue to get us into the black for the first time. If you look at our budget over the last three or four years the district has been running in the red and we're finally getting to the point that our revenues are above our expenses. I really think we've moved in the right direction. The boards have made a hard decision to raise the rates but due to the phosphorus upgrade project we had to do something. We struggle with our contract with the Chautauqua Utility District for part of our district. We're still in the process of trying to negotiate that contract. Pierre has helped us a lot to get factual information together to help us with that contract, but unfortunately that hasn't been

vetted out yet so we don't know where that cost is going to be for us yet. We're still a little bit up in the air with that.

Legislator Gould: What are environmental services?

Mr. Cummings: That's our chemical cost- the chemicals we need to remove the phosphorus and also that's where our cost to Chautauqua Utility District- what they charge us to treat the sewage that we send them and the cost to haul the sludge to Westfield.

Legislator Chagnon: You may have heard that Chautauqua Institution which provides the sewage treatment for part of the north district built a brand new treatment plant two years ago- \$8 million facility- and as a result there costs have gone up substantially and they were proposing to dramatically increase the cost on a few customers (*inaudible.*)

Mr. Cummings: Right. With Pierre's help that really- we were able to get some better information to negotiate better. Three years ago we were paying around \$90,000 to Chautauqua Utility District for that cost and in 2018 it was \$189,000, so they were asking us to pay for 44% of the operating costs of their treatment plant and we have 178 users compared to their 1,300 and it just didn't seem fair. So, with Pierre's help we were able to show that they weren't really properly billing us and we've been in negotiations trying to get a proper cost. We're trying to get that down to something that's reasonable and something we can afford. It's been a long process.

Chairman Hemmer: Any questions on this one?

Legislator Chagnon: Scott, talk about your success. Talk about how much phosphorus is no longer going into Chautauqua Lake.

Mr. Cummings: With our removal process- the state requires us to remove about 85% of our phosphorus. With this past year of sampling and testing we're removing about 94%, so we're above what the state requires. It's really working well and I give my operator a lot of credit. He's learning that whole process and he's working with South & Center's lab. They're really doing a great job of keeping track of that and doing what we're supposed to do to really help improve the lake. It's a big issue and we all know that. It's going to be a long time and a lot of work, but we're doing really well.

Legislator Chagnon: Good job.

Chairman Hemmer: Yes thank you. We can move on to the next district.

### **PPD**

Mr. Cummings: I have about 506 users in that district and all the flows go to the Village of Fredonia wastewater plant for treatment. So, that district pays for 20% of my wage and benefits and 70% of the mechanic II title and then 20% of the account clerk. Again, we're moving that position to full time so they've got a play in that also, so that's what we're looking to do. They contract with the North Chautauqua Lake Sewer District for labor and administrative

costs. The big thing with the PPD district and personal services is the account clerk going to full time. Kathleen, on the contractual- the increase to indirect cost allocation- I guess I kind of forgot what that really means.

Mrs. Dennison: That is the cost that the county departments perform for the sewer district like accounting, legal services-

Mr. Cummings, O.K., I just couldn't remember. So, for 8120 for sanitary sewers- again, PPD will pay 10% less for the mechanic II title. We've been very well replacing the equipment up there at the pump stations I do need another pump or two so we've got that in the budget for our pump station. This year that district is also looking to do some I&I study work, so they've applied for a \$30,000 grant from the state and we're hoping this coming December we will be awarded that grant and then there's a 20% match for that from the district, which they've approved to do to try to look at improving their infrastructure. We have a real problem with infiltration in that district and it costs a lot of money when we have to have Fredonia treat that. The treatment is fairly small, so we were able to negotiate this last year a contract with the Village of Fredonia and after a lot of really long conversations and discussions with them – we were doing really well until the mayor got involved and that kind of slowed things down. Luckily we feel we were able to negotiate a contract that was fair for both sides. We went from paying them anywhere from around \$160,000-\$180,000 a year down to \$120,000. I think we're in the ballpark of what we should be paying and once we reduce our inflow a little bit we can reduce that cost again. That's what we're trying to strive for. We had to increase the sewer rates for that district because we were in the red for several years and now we're moving in the right direction. People seem to use a little bit less water because their sewer bills- (*inaudible*) because depending on how much water goes through their water meter it determines what their sewer bill is going to be. We feel we've seen a little reduction in water usage. The big thing with the PPD is their infrastructure needs to be upgraded, so they are looking for grant money to help with that and it's going to be a long process over the next couple of years.

Legislator Chagnon: Kudos to you for getting serious about that infiltration.

Mr. Cummings: Thank you very much. That has been needed for a long time and I believe that looking at the state budget that they're putting a lot of money towards that. I think we need to take advantage of that.

(*Cross-talk*)

Chairman Hemmer: The equipment that the South & Center has- looking at the inside of pipes- can that be used with shared services?

Mr. Cummings: I'll tell you what- as I listened to Tom talk about that I just smiled because that helps me out so much. Working with Tom and the South & Center has been great because they're just really great guys and they help us out tremendously. So, if I call Tom and ask for the camera truck or the flush truck or whatever and they can free it up, they come up and they do it for us and they do a great job.

*(Cross-talk)*

### **NCIWD & SD #1**

Mr. Cummings: As far as FTE's for that district, again, they contract with the North Chautauqua Lake Sewer District for some labor and stuff. They pay 10% of my wage and benefits, 20% of mechanic II title and they pay 20% of the account clerk position, so that's kind of standard with the contract we have with them. That is split between the water and sewer. I think the water district pays like three quarters of the cost. They're in the process of working with the City of Dunkirk to do a sewage treatment cost and that contracts not done yet, so we're looking at that. There's going to be a change there but I'm not sure what's going to happen with that. We've been looking at how some of the users have been charged. There's only 14 users within that district- they're all commercial users with Purina being the biggest one. The sewer charge to them has never really been figured out properly, so we're trying to bring that in and get it understood. Some of that's not quite finished yet.

Mrs. Dennison: The budget assumes it will be finished by December 31<sup>st</sup> because the law department determined that right now the City of Dunkirk – the City does not have legal authority to bill the customers because they're not City of Dunkirk customers.

Mr. Cummings: They sit outside the city limits. We're just trying to push the director there to make contact with the different places he's supposed to make contact with so we can get that moving along. That's kind of where it's sitting- that contract with the city. The sewer district there is very small. It's just one sewer pump station with some gravity lines. There's not a real big sewer district. Like I said, there's only 14 users.

8310- Water district- same thing with the account clerk as we try to move her to full time. The north district will pay part of that and then this new contract we're implementing with the North County Water District for water rate charges that started as of October 1<sup>st</sup>. We're waiting for some meter pits to be put in and a meter to be put in before we can get started with that. Right now that district- just the sewer- is doing a sewer rate increase of a small amount and they just finished a water rate increase here a few months ago that the county legislature approved, so the sewer rate is coming next.

Mrs. Dennison: I apologize; there is just a minor typo in the commentary. The contract is with NCCWD.

Mr. Cummings: Right. The same thing with Purina, we're unsure how they're being billed for water since they sit out in the industrial district and not in the city. The director for that district, Brian Purol, has been trying to get that looked into to see what's up but I haven't heard back from Brian on it yet. That district- the revenues are slightly over the expenditures for both the water and sewer district.

Chairman Hemmer: Any questions? Let's move on to NCCWD.

Mr. Cummings: Thank you.

**NCCWD**

Clerk Tampio: O.K., on tab 39- on the FTE's there's an increase this year due to the 10% allocation of my salary for administrative functions for the district, so that's the increase. Any questions on that?

If you go to 8310 on the next page we have a personal services charge for 2019 for a portion of the year when my administrative allocation began and next year that will be the 10% of my base salary for the whole year. The contractual line has increased and I'll explain what that is.

Our contractual- the district purchases the water in bulk from the City of Dunkirk. That's our one contract. We have a contract with all the municipalities that formed a municipal shared group called CBI Waterworks and they perform the operation and maintenance functions for the district. So, they'll do the water testing, any other light repairs we might have, they also- we reimburse them for the project to the west of the City of Dunkirk as you'll recall is a regional project, but it is owned currently by the Village of Brocton. It's a Village of Brocton project as part of our capital project. So, that CBI water group is also receiving the bills for the electric and gas and maintenance contract of our pump station in Portland. Also, we'll get billings for the water tank in the Village of Brocton. That's part of the O&M costs. For this year we've budgeted \$20,000. This is the first year of actually receiving bills from them. We may see an increase in that once we have a full year history of those billings and when the project is finished on the east side of the City of Dunkirk we'll have another pump station cost and also another water tank cost. That will go up and then the water district board will reassess those costs and we will adjust our budget accordingly. We had to pay our share of NYSAC fees as every enterprise account had to do for the county and we have indirect cost allocation of \$804 for services rendered by county finance and legal. So, that's our contractual costs.

The .8- employee benefits is pegged to my 10% payroll allocation for administrative services. On the revenue side we have increased that. We anticipate additional customers coming online in the town of Sheridan. As Scott just mentioned we should have the industrial water district coming online, Sheridan customers online, and there will still be some additional ones in 2021. Athenex we anticipate is going to be a big user. We added in what we anticipate this year. Once they're at full capacity they let our engineers know that they will probably be using 100 million gallons a year. So, we added into the year 20 million because they're not going to be at full operational capacity in 2020. I thank Kathleen for all her help with this too. We estimated the water charges based on 305 million gallons at a cost of \$3.57/thousand gallons that we receive from the City of Dunkirk. Our budget is fully financed through user fees, so when we pass through to the municipalities a bill goes directly to CBI Waterworks and their cost of the water is increased to allow for debt service charges and O&M charges and we charge them \$4.67 and that amount to charge them is reassessed every year by the water district board and approved by their board to make sure we meet our expenses. You'll see the bottom line that we have a gain of over \$259,000. That is money that comes from the extra allocation towards debt service. Our debt service at this point is negligible- well, we have capital lease charges for the Brocton project, however we won't see that debt service really being paid out until the projects completed and we have bonding all finished, so we're still charging for that and saving that money towards the debt service. It's not like we're going to be making hundreds of thousands of dollars every year once we're at full operation.

Legislator Chagnon: So, the interest that you're paying the county is being accrued in debt service?

Clerk Tampio: Yeah, I mean once- you're talking about the \$4 million?

Legislator Chagnon: Yes.

Clerk Tampio: That will be part of that cost too. On the next page we have the 9730. That's our debt service and that's the interest on the money we're paying for the Brocton loans-EFC loans for their two projects that part of a regional capital project. The capital project's ongoing. We don't expect it to be completed probably until 2021. Any other questions?

Chairman Hemmer: The bonding for the whole project is not going to happen until 2021?

Clerk Tampio: The long-term bonding. We do have to pay for the capital project as we go and then the grants are reimbursement grants. As you'll recall from last month we should be getting the first \$1 million grant, which is applied to the west side project and in the meantime we have funding through the county- up to \$4 million and that's when we're coming back early 2020 to decide whether we should go to short term financing.

*(Cross-talk)*

Clerk Tampio: Yeah because we'll need more money than that to finish the project. Terry is on that board for us too.

Chairman Hemmer: O.K., does that finish everything off for us?

Mrs. Dennison: Just capital projects if you want to go down that road.

Chairman Hemmer: Will that be covered by Audit & Control on Friday?

Legislator Nazzaro: What was decided at the capital *(inaudible)*?

Mrs. Dennison: Well, I can- there were the two meetings of the committee and then the County Executive took that information and crafted what's in the budget. I can give you a five minute overview if you'd like.

Chairman Hemmer: Sounds good.

Mrs. Dennison: In the tentative budget book it's under the capital budget tab. We're going to skip over exhibit C and D. That's just a summary of what capital projects are active and what their budget is and how much has been spent. I don't think we need to spend any time there. That's what's going on right now. What's proposed for 2020 is in exhibit E. Exhibit E- the first page is a summary of kind of by department what is proposed for funding and the overall picture is that there were \$16.4 million in projects that were requested. That includes \$7 million requested for roads and bridges, which we already talked about that under Brad's section. It also

includes \$1.3 million for enterprise projects, which are funded by the (*inaudible.*) If you look at the first group those are County projects- \$8,177,000. That's what was requested and then the primary source of county funding's interest earnings of \$916,000. That's interest on our investments as earmarked for capital projects. Some of those are vehicles that are built into the operating budgets for the different departments- vehicle purchases. You'll see under the bond column there is a bit bond number of almost \$3 million, so these projects are included in the budget but they're paid for with borrowing. We also have projects funded by outside timber sales and then state and federal funding in this grouping is all due to CARTS buses. Behind that exhibit would be the individual projects that are proposed for funding. Almost all of the projects that were accepted as capital projects- almost all of them are funded, but the reason that almost all of them are funded is because we have almost \$3 million in bonds. That's the big picture and if you'd like any more detail on an individual projects for funding I'd be happy to comment on that.

Legislator Nazzaro: Didn't a few things get moved to operating?

Mrs. Dennison: The ones that were identified as not eligible for a capital project- they weren't moved to operating. We didn't take those projects and put them into the operating budget.

Legislator Nazzaro: You took them off?

Mrs. Dennison: They were just not funded. By the time that the funding is decided or not allocated- honestly, it's almost too late for the departments to put it into their budget. There are a few things like the equipment for the jail is one project that was deemed that it should be included in their operating budget. So, those ones that were on the list that were not accepted as capital projects are not included in the budget.

*(Cross-talk)*

Mr. Bentley: We'll have to look to see how we can put it in the operating budget next year.

Mrs. Dennison: Projects that were not funded at all are site assessment and preparation-

*(Cross-talk)*

Legislator Nazzaro: What about the jail upgrades?

Mrs. Dennison: Jail upgrades were not included.

Legislator Nazzaro: JCC the-

Mrs. Dennison: JCC was kind of a mixed bag. There's a lot of projects that were included-

Legislator Nazzaro: The planning and development brownfield?

Mrs. Dennison: The brownfield is expected to be completed this year. The brownfield phase II is included. The one that's supposed to be completed this year is the \$200,000 expenditure on buying land for Greenfield development.

Legislator Nazzaro: O.K., thank you. The \$35,000 is included?

Mrs. Dennison: The \$35,000 is in. The Greenfield development is not included because that's supposed to be completed- the project will be done in 2019.

*(Cross-talk)*

Legislator Nazzaro: I appreciate that.

MOVED by Legislator Gould, SECONDED by Legislator Nazzaro and duly carried the meeting was adjourned. (3:47 p.m.)

Respectfully submitted and transcribed,  
Kathy Tampo, Clerk/Olivia Ames, Deputy Clerk/Secretary to the Legislature/Lori J. Foster, Sr.  
Stenographer