

Minutes

Public Facilities Committee

February 18, 2020, 3:30 pm

Gerace Office Building, Mayville, N.Y.

Members Present: Hemmer, Scudder, Davis, Nazzaro

Member Absent: Gould

Others: Tampo, Ames, Chagnon, Walsh, Cummings, Bentley, Zafuto, Dennison, Westphal, Pantelis, UnderSheriff Braley, Lt. Dasnerck

Chairman Hemmer called the meeting to order at 3:30 p.m.

Approval of Minutes (1/3/20)

MOVED by Legislator Scudder, SECONDED by Legislator Davis to approve the minutes.

Unanimously Carried

Privilege of the Floor

No one chose to speak at this time.

Proposed Resolution – Confirm Re-Appointments - Chautauqua County Airport Commission

Chairman Hemmer: Any questions?

Unanimously Carried

Proposed Resolution - Confirming Lateral Restrictions for North Chautauqua County Water District

Clerk Tampo: You may recall that last year we did a resolution to approve lateral restriction also for the North County Water District and that was for the areas to the west of the City of Dunkirk that goes to Brocton on Route 5 and also to the east of Route 5. This one pertains to our Phase II of the project which includes a water transmission line that will go up to a brand new water tank located in the Town of Sheridan. Lateral restrictions are required by the New York State Department of Ag and Markets so we, as you can see on this map, this is a transmission line that we are talking about and this will be the area where a tank will be located, that orange line there, and, the blue represents all the area currently in the County, that's in an ag

district so that's why they are requiring this lateral restriction. It does not apply to anybody that already has connections to water transmission lines at the moment. There are also some exceptions for future connections. If someone removes a property from an ag district, if they have development that is already in process with the local township and they have received approvals and reviewed by the Ag and Farmland Protection Board and New York State Ag and Markets but you'll see this transmission main actually is in Sheridan where there doesn't exist any water district currently, a town water district. So if the Town of Sheridan wishes to talk to their customers and they wanted future connections, they will have to form a Town Water District and then that district would purchase water from the North Chautauqua County Regional Water District. But this is another requirement that we have to through in order to get that Phase II project completed.

Chairman Hemmer: Any questions concerning that? It's a written agreement, more than the map?

Clerk Tampio: Yes.

Chairman Hemmer: And that's just on file with us because we don't have a copy of it.

Clerk Tampio: Right, this is what the lateral restriction resolution that was passed by the North Chautauqua County Water District Board. So this resolution here that you are passing, supports that resolution. The resolution itself before you is very brief and that is what they are referring to, that resolution dated January 9th, this is the one that was passed. I think that was attached to the original resolution.

Legislator Nazzaro: I saw that this is also going to Audit & Control, is there a reason for that? It just says Public Facilities on there but it was in the Audit & Control packet.

Clerk Tampio: It was? I don't know. It shouldn't be. Should only go to Public Facilities requirement. Probably just an oversight. It was a busy week last week.

Chairman Hemmer: O.k., any other questions?

Unanimously Carried

Proposed Resolution – Request for Immediate Funding for Repair of Courthouse Elevator

Mr. Bentley: This resolution is to ask for funding for a project to repair the Courthouse elevator. It is the elevator that is utilized by court security to securely transport inmates from the Jail to the Courthouse. This is the only non-public path to the Courthouse from the Jail. They elevator was installed in the late 1960's. We had actually asked – I put forth a capital project in the 2020 budget last year to basically repair the elevator. I'll get into what that means, repair the elevator. There was an approved capital project to repair the roof above the Courthouse elevator for \$15,000 and that was approved and we are going to be completing that work. We had a recent failure of the elevator that demonstrated some security concerns for the personnel. I think they were trying to get someone here from the Jail to answer any questions you guys might have

about that but I think it kind of speaks for itself if you're a security personnel with someone from the Jail and the elevator stops working, that's probably not a good situation to have as well as permanent failure of the elevator would require some significant changes to how prisoner would get from the Jail to Courthouse and going through public areas of this building. So, it's just not a good thing to do. We do have a quote from a person that repairs it and I'm going to explain a little bit more about what would be involved in that repair. We would be keeping the elevator shaft, we'd be keeping the elevator car, basically the – it's kind of like cutting all the wiring and mechanicals that are used to lift the elevator and all the controls of the elevator. To modernize them, to get them so you can actually get parts because this guy that repairs them now has to scrounge around asking for spare parts from people that have tossed theirs to the side. So, we have (*inaudible*) the elevator machine room equipment, new controller, new battery, there is a pump down in the basement of it, when it leaks because water does get in there. New machine wiring, retained and refurbished oil line as needed, a new door operator will be installed, retain and refurbish car door, equipment, existing place for a door equipment, retain and refurbish (*inaudible*) tracks, new interlock assembly, pick-up rollers, elevator cab interior and hall fixtures, there is a whole lot of other things for buttons and stuff to bring it up to current code. Hoist way, there will be a new selector and leveling system, new car top inspection station, new car top railing, (*inaudible*) traveling cable and wiring, hoist way wiring, roller glides, pit emergency stop switch, new hydraulic jack assembly (*inaudible*), new buffers and (*inaudible*) controls, there is a lot of little stuff in here but you are basically refurbishing the elevator, not building a brand new one. Total cost is approximately \$165,000 to do all that work and I'm here to ask for that money now because we think a permanent failure here is going to be quite lengthy and quite risky proposal for the County by kicking the can further down the road.

Legislator Nazzaro: Not questioning the need because I think the resolution pretty much speaks to itself. You had mentioned about the capital project plan, not approved for 2020 – this was not approved, was it?

Mr. Bentley: It was in the plan, it was not funded.

Legislator Nazzaro: So not funded. So at that time, I mean, I sat in on one of the – can you recall why? It just didn't make the cut or –

Mr. Bentley: I think it was, kick the can down the road. We noted it as a priority two in Buildings and Grounds, so it's a very high priority item for us. We were very disappointed when it wasn't funded. You guys would have to speak to it for yourselves, why it wasn't funded. I don't recall any specific conversation other than just in the whole grand scheme of the budget, it was \$165,000 that you guys didn't feel it was comfortable coming out of fund balance.

Legislator Nazzaro: So the reason now, is because of a recent failure that has a pretty significant safety concern?

Mr. Bentley: Yes and I was hoping that I would have had the security personnel here to explain the challenges of that and there are – I think the security personnel are looking for this to be fixed. If not, they have some ongoing concerns over the horizon for that.

Legislator Nazzaro: Kathleen, what is in the reserve for capital account?

Mrs. Dennison: Just looking it up now. To date, \$1,294,000.

Legislator Nazzaro: Just about \$1.3 million.

Mrs. Dennison: Yes.

Legislator Nazzaro: I know that there is another one coming up. What else were you going to say Kathleen? You were going to add to that?

Mrs. Dennison: No. That is the current balance.

Legislator Scudder: How long of a project is it?

Mr. Bentley: I think the actual work itself is not too long but what we have to do is schedule it with the courts because obviously we can't have the elevator out of service while they have court in session. It's one of those things where it's better to be planned than unplanned. So the sooner we can get this thing planned and give it to the court system. I think it would probably take a solid 3 to 4 weeks. Once you are in there, you basically (*inaudible*).....

Legislator Scudder: Once it's shut down –

Mr. Bentley: There is no going back so we'd like to plan that work with the courts instead of having it being unplanned.

Chairman Hemmer: You're not going to shut down the courts for three or four weeks.

Mr. Bentley: Well, they would have to have another avenue to bring the prisoners from the Jail and with that, without risk of escape, risk to the public so it's much better to do this in a plan function than an unplanned function.

Legislator Nazzaro: It's currently operating?

Mr. Bentley: It is currently operating but –

Chairman Hemmer: For how long?

Mr. Bentley: For how long. I think the can is getting kicked pretty hard, let's put it that way.

Legislator Davis: That price tag, I mean, I have no familiarity, obviously, with what's involved in repairing elevators but, when I saw that price tag, I was a little bit surprised. I don't know about anybody else but –

Mr. Bentley: Elevators are expensive. Very expensive. If you have ever gotten a quote to put one in your house and it's not due to the mechanicals, per say, it's the regulations that you need on that. Elevators are very dangerous and (*inaudible*) getting trapped in an elevator, you need battery back-ups, you need to stops, you need the locking mechanisms, you need the controls, you need hand rails inside the elevator. It used to be that you just put a box in there. Now you need to meet code, you have to have hand rails. All those things, there is a lot of code that go along with elevators. Which you and I would all agree, if you are stuck in an elevator you want that call button to work.

Legislator Nazzaro: Does that meet all ADA requirements?

Mr. Bentley: They will have to, yes.

Legislator Nazzaro: Because you said the car is not really changing. Its wheelchair accessible and everything?

Mr. Bentley: It would have to meet whatever the requirements of the courts are for a jail.

Legislator Nazzaro: I just wouldn't want to invest this kind of money and have the – I know you go through the due diligence, I just wouldn't want to invest that kind of money and have it not meet all the reparatory requirements.

Mr. Bentley: For those that were on the Planning Commission and took the tour (*inaudible*) want to jump in that elevator. I didn't ride up it.

Legislator Nazzaro: That's not really the question. The question was –

Mr. Bentley: But I mean you could get into it from ADA perspective. I think there are larger questions about the jail in general about ADA than necessarily the elevator.

Chairman Hemmer: How about grants? It seems like there are always a lot of grants available for public safety.

Mr. Bentley: If there is one that you are aware of, let me know, we'll apply but I think what needs to be done is, we need to do the work and if there is a grant, apply for reimbursement but this work needs to be done now and not wait for a grant because we all know that grant cycles tend to be one to two years in arrears as we'll talk about in a minute. I have many examples of that. So, if you are aware of a grant that I'm not aware of –

Chairman Hemmer: No, I'm not. I just thought that there are a lot of public safety grants, it seems like, we could go through –

Mr. Bentley: Maybe you can bring that up at the Public Safety meeting and ask them if they are aware of any grants that might be available to us. I'm sure the Jail will be – well, actually, it's the Buildings and Grounds budget but if the courts can apply for it, we can certainly do that.

Legislator Davis: Is the plan that the emergency stairwell will be used during the interim or what would happen while the work is being done?

Mr. Bentley: I would let the court security tell me what they want to do from a security standpoint. As you can imagine, going up and down stairs being chained might be a little bit of a safety and liability issue. There is a supply elevator, or freight elevator, down in the basement that could potentially be used but obviously you are now taking people out, prisoners out in the public.

Mrs. Dennison: Mr. Chairman, there is a small typo in the resolution under the Establish and Increase Capital Appropriation Account. There is a .4 that is missing so it should be H.1620.25194.4, Contractual classification.

Chairman Hemmer: Thank you. I think we can treat that as a typo. Any further discussion?

Unanimously Carried

Proposed Resolution - Close DPF-CARTS (Dunkirk) Petty Cash Fund

Mr. Bentley: As part of the ongoing effort to eliminate as many petty cash accounts that we can. Michelle has graciously agreed to give up her Dunkirk petty cash account. I think we just found that it wasn't being used so we're here to eliminate it.

Legislator Nazzaro: Thank you. It's the right direction.

Chairman Hemmer: Any questions?

Unanimously Carried

Proposed Resolution – CARTS – Section 5311 Consolidating Operating & Capital Grant Application Request

Mr. Bentley: This is in reference to our Federal Transit Operation Assistance agreement between us and New York State DOT that runs through 12/31/2022. So it's basically where we apply to get Federal Operating Assistance for the provision of providing mass transit for Chautauqua County. Within this, this 5311 grant, the actual years, fiscal years that it's applying to are 2019 and 2020. So basically 2019, we've already expensed what it cost to operate CARTS, this is the grant – it's a two year grant, so we're going to be asking for reimbursement of what we spent and then for 2020, reimbursement for what we are spending for the operating side. So there is three parts of this grant. One is for replacement vehicles and a mobility manager, the second part is operating funds, and the third part is Appalachian funds. So the first component, the replacement vehicles and mobility manager, that is a 10% local share. Total cost is \$1.625 million, so this is the grant that buys our buses, replacement busses and associated equipment as well as it allows us to have our mobility manager which is critical for getting communication out to schools, towns, businesses, basically go out to teach people how to ride the bus.

Chairman Hemmer: That is not a new position, right?

Mr. Bentley: No. So it's basically –

Mrs. Westphal: It's not a County position, it's funded – we have a contract with Workforce Investment Board, so we pay them and it's a 10% local share that's in-kind because we house her at the CARTS office and my time for supervising.

Mr. Bentley: So our 10% is not actual cost, it's some cost in our normal operating business.

Chairman Hemmer: Contractual (*cross talk*)....

Mr. Bentley: So other than that, (*inaudible*) remainder of the salary there.

Legislator Nazzaro: How many vehicles?

Mrs. Westphal: Twelve.

Chairman Hemmer: Twelve this year, twelve –

Mrs. Westphal: We do six every year.

Legislator Nazzaro: So six each year.

Mr. Bentley: We try to space them out and generally some of those relationships to order and delivery times, because some of these are a year out (*inaudible*) ordering and receive these buses.

Legislator Nazzaro: Have you received the ones for 2019?

Mrs. Westphal: No. We're still working on the 2017/2018 grant, receiving those. (*Inaudible*) we had to wait our turn so we should have them late summer.

(*Cross talk*)....

Mr. Bentley: So the biggest thing is when we're writing the resolution, trying to figure out now to (*inaudible*) the years and make sure we didn't confuse everybody and that's why we said fiscal year because that's also the fiscal year of the State grants.

Legislator Nazzaro: How many are in your fleet?

Mrs. Westphal: We have 35 buses.

Legislator Nazzaro: So really, by the time this – because we haven't received 2017, you said the 2017 –

Mrs. Westphal: We had the 2017/2018 grant which we're getting the 12 buses from but we were late getting the 2015/2016, they are always a couple of years out getting the buses.

Mr. Bentley: And mind you our buses generally is not like the plow truck, these buses tend to last about maybe 5 to 6 years.

Mrs. Westphal: (*Cross talk*) investing a lot of money in them.

Mr. Bentley: These are run constantly throughout the day where plow trucks may be sitting if it's not snowing so these buses get used constantly every day. That's why there is a shorter lifespan on them and why we need the quicker turnaround times on them.

Mrs. Westphal: By the time we get rid of them, they have over 200,000 -250,000 miles on them.

Mr. Bentley: So it's a little bit different than the highway. We're trying to get 10 years plus out of those. The second part of this grant is for the operating funds and basically it's a 100% match so our operating requirements is \$381,500 for 2019 and 2020. This is a 100% match. So we put in our share the State puts in their share to help us operate it. This is good because it's not just a capital investment, it's our funding to actually operate CARTS. So it's an operating relieving function.

Legislator Nazzaro: So does that mean the operating is twice that amount?

Mrs. Westphal: No, our local share is usually about \$3 and \$400,000 so they give us the \$381,500 and then we usually match it with our local share.

Chairman Hemmer: So it is twice that to actually operate.

Legislator Nazzaro: It is twice that to say you get 100% (*inaudible*), that's fine –

Mr. Bentley: No, it's more than that because we also get a per mileage reimbursement from STOA, we also get revenue from ticket sales, there is a lot of revenues that balance the operating costs so it's not just – it's actually more than \$600,000 for operating costs. This is just what the State is willing to do for us. That's kind of the net. So when you factoring the whole puzzle, this is kind of what we kind of get left with. We don't make money in CARTS.

Legislator Nazzaro: No, I know. You budget for this every year.

Chairman Hemmer: This was all budgeted, right?

Mrs. Westphal: Yes, it's all in the budget as well as the next part.

Mr. Bentley: So the last part is the Appalachian funds which is basically TEAM Services and that is \$35,000.

Mrs. Westphal: Each year.

Mr. Bentley: So \$70,000 total. So that's 100% (*inaudible*)....

Mrs. Westphal: Right, we contracted with TEAM and then we pay them out of the \$35,000, our share. Sometimes we end up with leftovers so it's a positive for us plus we get their STOA that we get to keep.

Mr. Bentley: Again, this is the permission that we're wanting to get to apply for the grant. So what is coming out of here is basically 10% of item one and \$380,000 for item two is what we're asking permission to apply for because that would be the commitment. Again, that is what is budgeted as well. So this is really doing what we said we're going to do.

Chairman Hemmer: Any further questions on this resolution?

Unanimously Carried

Proposed Resolution – Amend Capital Project Accounts Due to Fleet Management Services
(Move to further in the agenda)

Mrs. Dennison: Mr. Chairman, before we move onto that, Brad and I have a suggestion wondering if you would consider taking the two sewer resolutions so these gentleman don't have to (*inaudible*) lengthy discussion of other topics.

Chairman Hemmer: Well, I can't blame you for not wanting to listen to the whole thing. O.k., unless I have some objections from the committee then we'll go to the ones that we're coming under "other".

Proposed Resolution – Amend 2019 Budget for Year End Reconciliations – North Chautauqua Lake Sewer District

Mr. Cummings: On the administration side of our budget there are a couple of things that was kind of out of our control as Kathleen explained to me.

Mrs. Dennison: The resolution is self-balancing within the North Chautauqua Lake Sewer District. The main reason that the District expenditures are over budget is due to GASB 68 costs which would be the recording of future liability – estimated costs to cover future pension liabilities. You'll hear this numerous times. It only applies to the enterprise funds but it's very difficult for us to budget for these expenditures. They fluctuate widely from year to year and so how we budget for them is using the most recent current year actual. That didn't work out very well for us for 2019. So, as Scott was saying, these expenditures are completely outside the control of the District and so that is why the District is over budget. There were surplus funds in the contractual category so we were able to balance the extra expense with savings in contractual expenditures.

Chairman Hemmer: That's nice. Any questions?

Unanimously Carried

Mrs. Dennison: I do have one other comment which applies to North Chautauqua Lake Sewer District and the other ones. You'll hear this one as a recurring theme as well is that we are not completely finished with the expenditures for the enterprise funds. We have completed the pension liability entries but there will be additional entries for other post-employment benefits. Those have not been posted and there are some depreciation entries that have not been completed for the enterprise funds so we will need to do additional amendments in March to adjust the budget for those upcoming expenditures.

Proposed Resolution – Amend 2019 Budget for Year End Reconciliations – South & Center Chautauqua Lake Sewer Districts (SCCLSD)

Chairman Hemmer: Is this the same story?

Mr. Walsh: Very similar.

Mrs. Dennison: Yes, we have the similar situation for South & Center is that the employee benefits are over because of the GASB 60, the adjustment, that one item caused an overage of \$33,822. So you can see that the District actually had savings in other areas because the total overage for the classification was less than \$33,000. So that is driving the extra expense in the .8 for administration. Then the 8130, I don't know if you wanted to talk about that one.

Mr. Walsh: There was some position changes. A gentleman went from the 8120 to the 8130 account due to an operator – he got a certification for the wastewater so we moved him into that department as well so there was a budget adjustment as well.

Mrs. Dennison: And actually that change we made earlier in the year so most of that was taken care of by a prior amendment but the overage, most of it is due to the fact that there were upgrades to the positions. You passed a resolution in January of last year to upgrade the grades for –

Mr. Walsh: Wastewater Treatment Plant Operators and Chief Operator.

Mrs. Dennison: Thank you and so those over budgeted at the grade that that position used to be but they received an upgrade fairly early in the year. So they were paid at a grade higher than they were budgeted for. Again, the District has quite a substantial savings in contractual categories and so again, was able to cover those additional employee costs with contractual savings.

Chairman Hemmer: That's good. Any questions?

Unanimously Carried

Mr. Bentley: I now have my police protection here too, by the way, so –

Chairman Hemmer: So maybe we can continue with the discussion on the -

Mr. Bentley: What I did was, I basically went through the need. There were some questions on what (*inaudible*) while they build. My thought was maybe using the freight elevator or emergency stairs, I don't know. You guys didn't elaborate what those conditions and the likelihood of what would happen (*inaudible*)...

Lieutenant Desnerck: So if the elevator actually fails –

Chairman Hemmer: Could you come up to the table so that we can get you on record and give us your names please.

I'm Lieutenant John Desnerck with the Sheriff's office and I'm the Lieutenant in charge of the Court Security Division. So I directly oversee operations of transports of prisoners in and out of County Court prisoner elevator. So, if it ends up failing our work around would have to put us out into what we call the DA hallway and use what we call the DA elevator. The old elevator that kind of goes up on the first floor, past the County Clerk's area and comes out, outside of the Supreme Court and County Court. That's the only other way and maybe that's what you might be calling the freight elevator, the term. We call it the DA elevator because it's in the basement near the DA's office. That's our work around. The down side of that is, with the bail reform, who we have in the jail now, is like the worst of the worst, they are not eligible for bail under the bail reforms so any time we are transporting people, they are for very serious charges anymore. It's not just normal people, most of our people now are coming in off the streets so when we're using that, it's the worst of the worst. The problem we get is when we come out into the DA hallway, I don't know if you are aware of the doorway that are right there for the Judges entrance, due to fire code, you have to be able to crash out to be able to escape the buildings, so it's an escape risk. Any time you are transporting prisoners, any time you are taking them out what I would call a secure area into a less secured area, you always raise your chances of an escape. That is my major concern with that. Is that, yes, they are escorted, yes, we're with them at all times, but, it just increases the chance for an escape risk to go out into those common areas. Plus, we're also subjecting the employees of the building to have contact with them, victims that are at the DA's office with the Victim's office, witnesses down at the DA's – especially if the defendants going up there for trial, which is what we're dealing with when the elevator actually quit for 15 minutes with one of my Deputies and the prisoner in there, he was actually going up for a County court trial. So then we have other logistic issues we have to worry about because we have victims and witnesses and public employees out in that hallway that we're taking prisoners by. So we like using the set up that we have because they are always in a locked secured area. Straight from our Jail to our prisoner tunnel, up that to a secured holding area in the back of the County court.

Mr. Bentley: And they did approve it.

Lieutenant Desnerck: O.k., but that's my concern about it not working because like I said, we keep them that way in a secured area.

Legislator Davis: With them being shackled.

Lieutenant Desnerck: Yes.

Legislator Davis: One of the things I asked was if the stairway could be used in an emergency situation or if it's too difficult.

Lieutenant Desnerck: We've actually got access though because of security. We could actually and we have done it sometimes, yes, there are stairs that we could use. There is the old rotunda stairs that we still have access because of being court security. There are other options available to us. It's just that they are less than desirable because there's actually even being shackled, as long as they go slowly, they can go upstairs. There is actually a couple of set of stairs in the prisoner tunnel on either end just to get them back and forth. Like I said, we would prefer to keep them in those secured areas just because it decreases our escape risk.

Legislator Nazzaro: Like Brad said, we approved it. Really the issue wasn't the need because obviously there are safety concerns. It was why it wasn't approved as part of the capital budget back when we did the 2020 plan. It didn't make the cut.

Chairman Hemmer: I think it was we ran out of money.

Lieutenant Desnerck: O.k., thank you.

Legislator Nazzaro: Thank you for that information.

Proposed Resolution – Amend Capital Project Accounts Due to Fleet Management Services

Mr. Bentley: This one is going to require a bit of a pictorial but, at the high level –

Chairman Hemmer: Pictorial?

Mr. Bentley: Yea, Kathleen had to actually make me go back to my MBA to think about how to do "T" accounts. Get everything to balance on this thing. So, this is a resolution to move money because we're leasing vehicles in the Department of Public Facilities. We would normally buy vehicles and it would come out of the capital account and it would be a straightforward transaction. Due to leases being paid for out of the operating budget, not out of the capital budget, you just can't move money over from one to the other. So, I'll get into how the – that's why you have to do all the "T" account stuff. In the budget we were approved to spend \$100,000 to purchase light duty vehicles. Trucks, we're going to spend that \$100,000. We've ordered four vehicles. One to replace the County Executive's vehicle that's over 100,000, we're going to replace the Director of Public Facilities vehicle, that is approaching 100,000 miles and is requiring a lot of maintenance recently and also two District Supervisor vehicles. Last year if you recall, we replaced 9 crew cabs for the workers to replace a number of aging fleet vehicles for the actual work staff. So this is catching up on overdue - these are overdue to be replaced. I think a couple of them were a couple of years overdue so, we're trying to catch up a little bit. When I looked at buying versus leasing, this was looking underneath the covers of the buy versus lease analysis. So I looked at the cost to buy, so if we put it out for a bid and tried to buy the vehicle from Ford directly, it was our cheapest price, so I got that number. We went to

Enterprise and said, alright, what is your number for a capitalized lease (*inaudible*)? In other words, you have the MSRP, you have an invoice price and then you have a capitalized price which is net of rebates. Basically what is your starting point for your lease payment versus your residual end payment? They calculate that divided by 48 to get your monthly payment. So what end up happening was the capitalized vehicle price was coming in a couple of grand under what I could buy it for. So, in my analysis, I believe that I want the best overall value so I'm going to start at the lowest price. Because the value that Enterprise is giving to us is, on a daily basis or monthly basis, they are checking to see where the resale value of these vehicles could be most optimized. So if two years into the lease, you could make them money by selling that vehicle earlier, getting another newer vehicle, you can swap that out. That's kind of what their sales pitch to us was, they are actively managing those leases and telling us when it's most optimal to trade those in. So, we're going to keep going with that. We're going to try it with 4 more vehicles. I think the ones that we bought, at least for our area, it worked well. We are keeping track of the maintenance costs and the big nut will be when we go and trade them in. Is to see if we truly get that value added. If they are newer vehicles so there is really not much there and (*inaudible*) would be covered under warranty so it's really checking on Enterprises resale. That's the true test.

Legislator Nazzaro: To simplify it and I may be stating this wrong but, basically and I don't know if this is more for you Kathleen, at the end of the day are we saying we are getting four vehicles and we're getting what? Are the lease payments roughly going to be like, for a year, \$21,596?

Mrs. Dennison: Yes.

Legislator Nazzaro: And the value of those cars if we were to purchase them would have been \$130,000 so we're replenishing, we don't need the capital reserve because we're leasing them as opposed to purchasing them.

Mrs. Dennison: Correct.

Legislator Nazzaro: So the lease payments again are \$21,000 versus what it would have cost at a \$130,000.

Mr. Bentley: That's not quite true because it's only a part year.

Legislator Nazzaro: A what?

Mr. Bentley: A part year lease because in 2020, the vehicles aren't in yet so it will be –

Mrs. Dennison: The only changes I would suggest to that is that, the \$30,000 is the revenue we're going to get today from selling the existing vehicles. And when we sell, it's those vehicles that are going to be sold, they were purchased with capital funds so the sale of those vehicles needs to go back to the capital fund.

Legislator Davis: That is the anticipated sale amount or you know what they bring at auction?

Mrs. Dennison: Yes.

Mr. Bentley: Yes and no. It's an approximate value but since we haven't sold them, we don't know, number one and basically what I am committing to is, because I have a \$100,000 in my budget, I'm committing to use of that and because I'm also committing to the agreed upon capitalized purchase price as being the basis for the lease payments, I'm saying that I will make up whatever shortfall or give back whatever overage there might be from selling those vehicles. So, it doesn't quite go to \$30,000. I've got enough other stuff that I'm willing to commit to the kitty to make it up.

Mrs. Dennison: So in shorthand, we're proposing to contribute \$130,000 to the capital reserve today but we're going to be taking money out of the A. fund over time for these leases. Twenty thousand this year, \$20,000 the next – is it a four or five year lease?

Mr. Bentley: Well, it will keep ongoing because we're committing to leasing vehicles from here on out. So after year four, let's say you replace them after two years, you still have that ongoing lease payment. The concept is, hopefully that lease payment gets a little bit smaller because if you are taking the money, optimizing the value, your lease payments might get smaller because you're tagging that into the next lease. Basically rolling your profit over.

Legislator Nazzaro: So Kathleen or Brad –

Mrs. Dennison: Or Sam, he's been on this too.

Legislator Nazzaro: So, to put it in perspective, I do believe this is the right direction we're going when you talk about fleet management. So on an annual basis, you said this was a part, this lease is, what are we actually saving now on these four vehicles? Are we saving around \$10,000 a year by doing this, I'm calculating, give or take? I know it depends on when you sell the vehicle that the optimal time is, but for these four, if we were to buy them as opposed to leasing them, what is the approximate annual savings?

Mr. Bentley: Based on the lease payments themselves, it's probably – it's under \$10,000.

Mrs. Dennison: Yea, I mean – this is assuming 9 months –

Mr. Bentley: It's kind of on par, it's not that far off.

Mrs. Dennison: So it's about \$28-29,000 a year. There is four of them, that's \$115,000 in lease payments. And we're contributing \$130,000 right now to the capital reserves.

Legislator Nazzaro: There is also some maintenance and repairs.

Legislator Scudder: Does Enterprise maintain them?

Mr. Bentley: We will actually do oil changes and tires.

Legislator Nazzaro: Just like a normal lease, you have to do the normal wear and tear stuff. If the transmission goes, it's something that (*inaudible*)...

Mr. Bentley: Right but certainly we have the warranty that would all be covered.

Mrs. Dennison: As I say, if you are just looking at lease cost versus purchase cost, around \$10,000 a year.

Mr. Bentley: Just so I can be on the record, because I was on the record on (*inaudible*), exactly what Kathleen said, I'm replenishing the A fund by giving money back to the capital reserve, but ultimately the A fund goes to fund the operating as well so, I'm just delaying the need for that money for future years. So when you guys look at my budget and you go, why is your operating budget higher, this year than it was last year, it's because I got -

Mrs. Dennison: Twenty eight thousand more in (*cross talk*).

Mr. Bentley: Yea, I'm leasing vehicles. So that needs to be encompassed into my budget because I'm actually giving up that money in total now. There has to be recognition that I did give it up to give it back.

Legislator Scudder: Well, there is going to be a new committee every year so -

Mrs. Dennison: We are on the record today.

Mr. Bentley: I'm on the record today, in the minutes stating no matter who is on the committee -

Chairman Hemmer: And in the next resolution there will be a WHEREAS that covers, I gave up - o.k., any more questions concerning this? Well, good luck, I hope this works out as planned. All in favor?

Unanimously Carried

Mr. Bentley: I will give my greatest thanks to Kathleen and Sam for helping putting this together. It was -

Mrs. Dennison: It was not easy.

Mr. Bentley: It was not easy. You know, the explanation that we gave today had gone through many conversations.

Proposed Resolution – Authorize Director of Finance to Increase Appropriations for PIN 5758.45 County Bridge 827 Replacement over Prendergast Creek in the Town of North Harmony

Mr. Bentley: This bridge was – the preliminary engineering design was approved out of resolution 105-19. Committed almost \$280,000 to cover that of which the local share was a little less than 10% overall which in round numbers, is – it has a long history of design for various reasons but about 10% of that was local share (*inaudible*) round numbers. We are now ready to go into the construction and inspection phases. We do have a bid for this bridge to do that work at \$1.6 million and change and the ratio will be 5% local share. This falls under the Bridge New York program. We have done a press release last year that when we were notified that this was eligible, this is a big win for the County to get this bridge awarded and funded for 95%. So we're asking to make the commitment so that we can progress on this to get this to the construction and inspection phases. The total local share would be, as below, \$80,214. Any questions?

Legislator Nazzaro: As noted, it's coming out of the reserve for capital. Anything you want to add Kathleen?

Mrs. Dennison: I will add that this statement is preliminary based on preliminary numbers but based on results recorded through today, we are expecting a surplus in the income earnings that will be passed through to the capital reserve. So, as we discussed earlier, the capital reserve right now is \$1.2 million dollars, we are expecting an additional contribution to that fund from earnings on investments (*inaudible*)...

Legislator Nazzaro: Was a good year.

Chairman Hemmer: O.k., any other questions?

Unanimously Carried

Proposed Resolution – Amend 2019 Budget Appropriations and Revenues – Consolidated
Local Street and Highway Improvement Program (CHIPS)

Mr. Bentley: So, I'm going to – it looks simple but has a lot behind it so I'm going to go high level first. As part of our budget we have about \$7 million dollars that's tied, rough numbers, to roads and bridges. We have \$2 million dollars that gets allocated out of the capital for 2020 for large vehicle purchases. So you have roads and bridges, \$7 million, large vehicles, like plow trucks and excavators and whatnot, \$2 million dollars capital. CHIPS, allows us to bridge both capital and operating so maintenance of roads and stuff like that. So, I'm going to use the term here because I came up with it and I'm very proud of it for the accountant in the room, CHIPS is not gap. So, what entails is that, when we ask for reimbursement from the State for our projects, it also allows me to do anything that has a 10 year lifespan. So that could be plow trucks, that could be buildings, that could be other capital projects, not necessarily just roads and bridges. It is our discretion on what we submit each year and it can change each year, depending on what we buy or don't buy. We like to submit for ease of paperwork because the paperwork for a road tends to be this big because of labor and everything else.

Mr. Zafuto: I helped put it together and last year I used 6 bridges and 4 roads, was like 20 pounds that I had to mail into the State.

Mr. Bentley: When we submit a piece of equipment, it's a piece of paper. The other advantage of doing it is, we know we're out here, name me a road that last 10 years? You are not allowed to go back if you name a road to get reimbursement on that road for the next 10 years. So it actually benefits us and flexibility to actually use the equipment. But that is dependent upon how much money I'm giving as well in the capital budget which fluctuate year to year by a large amount, as we know. So, what this here for is, in 2019, to represent that we're reimbursing the D fund through the CHIPS.

Legislator Nazzaro: You are just transferring it.

Mr. Bentley: Yes, this is the after the fact accounting backup.

Legislator Nazzaro: So you have \$9 million, you applied for the CHIPS and you used it and you said it was for vehicles. In essence, you spent the money and now you just have to give it the right (*inaudible*)...

Mr. Bentley: Yes, we're trying to mirror what we actually did. This is to kind post mortem accounting, if you will.

Legislator Nazzaro: And this follows what you have done in the past? Or is this different?

Mr. Zafuto: This is a change from what we have done in the past.

Legislator Nazzaro: That's what I thought because as I was reading it, I realized that it was just transferring it to the right accounts but I didn't remember it before.

Mr. Zafuto: We have not done this in the past.

Mr. Bentley: Ultimately the D and the H goes back to the A and the A goes back out, but again, it's capital and operating.

Legislator Nazzaro: I think what you are saying is different. It's the way that you apply for CHIPS.

Mr. Zafuto: With CHIPS you can use either equipment, bridges, and roads, or even like the new Sherman Maintenance Shop, that all got reimbursed through CHIPS.

Legislator Nazzaro: O.k., got it. Time versus (*cross talk*)...

Legislator Scudder: Twenty pounds is more than just weight.

Mr. Zafuto: To do a County bridge, it takes about 4 hours to put all that together.

Mr. Bentley: We're trying to do things more efficiently but it creates some awkwardness in the accounting. Kathleen and I have had a couple of conversations on that. Total reimbursements between CHIPS and Pave New York is around - no

Mr. Zafuto: CHIPS is \$2.7 and Pave New York is (*inaudible*)....

Mr. Bentley: So out of the \$2 million, there is still another \$1.7 that's in roads and bridges.

Legislator Nazzaro: Out of the \$3.7 –

Mr. Bentley: That we get total reimbursement from CHIPS. Any questions?

Legislator Nazzaro: The total CHIPS is like \$3.7?

Mr. Zafuto: Just under \$3.6 and it fluctuates every year.

Chairman Hemmer: Any other questions?

Unanimously Carried

Proposed Resolution – Amend 2019 Budget for Year End Reconciliations – Public Facilities

Mr. Bentley: This is the A fund, self-balancing, any questions?

Chairman Hemmer: It's self-balancing, I like that.

Legislator Nazzaro: I looked at this, nothing jumped out. Obviously you have some things for the airport and some things that are for CARTS, no use of fund balance, nothing jumped out at me unless you want to point something out that or Kathleen does.

Chairman Hemmer: The increase appropriation account there, under contractual forestry, was that the price for the timber?

Mr. Zafuto: That's the property taxes.

Chairman Hemmer: O.k.

Mr. Zafuto: And we can rectify that in next year's budget.

Mr. Bentley: Again, this is 2019, not the 2020 budget.

Chairman Hemmer: I see that you are showing increases in personal services and decreases them in employee benefits. The engineers up here increased, the price for personal services but the benefits decreased, how does that –

Mr. Zafuto: The benefits for the engineers in the 2019 budget was calculated like a 33% for (*inaudible*), DPF actually weighted average fringe is almost 70% so what was in the budget was actually getting charged out, didn't match. That is the reason for that.

Mr. Bentley: There's allocated that was a little off. It happens.

Chairman Hemmer: Oh, then I would have thought that it would have increased the benefits instead of decreased.

Mr. Zafuto: No because we basically charged more to capital so when we did the benefit side it reduced it lower than what was actually in the 2019 budget. Where like on the other side, we didn't need the personal service numbers in engineering.

Mr. Bentley: It's because you are charging out to capital not the reserve.

Legislator Nazzaro: Because they are capitalizing labor and benefits which decreases the operating expense but it goes to capital.

Chairman Hemmer: O.k., any other questions?

Unanimously Carried

Other

Proposed Resolution – Amend 2019 Budget for Year End Reconciliations – Public Facilities, Administration, Maintenance of Roads and Snow Removal

Mr. Bentley: The D fund is self-balancing. Any questions?

Chairman Hemmer: Let's see, increase appropriations, increase revenue, to cover the increase appropriations and the money –

Mr. Bentley: Share services and (*inaudible*) salt was a little bit higher, we have a little bit more revenue.

Legislator Nazzaro: This is just a self-balancing resolution.

Chairman Hemmer: Any other discussion?

Unanimously Carried

Proposed Resolution - Amend 2019 Budget for Year End Reconciliations – Public Facilities, Road Machinery Division

Mr. Bentley: This one does not self-balance. There was some increases in some rates, premiums, this is also actually where my vehicle maintenance is. As you guys recall, you cut my vehicle maintenance budget by \$50,000. And so I did go over as I thought I might because vehicles don't magically show up on January 1st, so any projected savings anybody had on that, (*inaudible*) part way through the year we have to fix it. So you cut it by \$50,000 and I only went over by \$27,000, I consider that a win given everything that was going on. The other thing is, these employees are the mechanism, a lot are store keepers, I have less turn through there so I typically don't have the vacancies in those positions that I have in plow drivers and other stuff. So I was less able to take care of the things that come at me like the contract negotiations and stuff. Then we also have a couple of employees that went to Family insurance which is a little bit more expensive.

Legislator Nazzaro: I was going to say, this has nothing to do with GASB 68 because this is not an enterprise fund. This is because of change in elections?

Mr. Bentley: Yes, it's part of it.

Legislator Nazzaro: Is that why the increase in the benefits?

Mrs. Dennison: There are actually three factors in the increase in benefits. One is change in elections, as Brad mentioned, the second, as he eluded to is full employment. There are almost no vacancies throughout the year so when that happens, if somebody changes their elections, you see the overage right away. We can't hide it. We can't hide it with somebody with a position that was vacant for 6 months and had no insurance expense so it's full employment and then the last factor is change in the premiums. The actual insurance premiums for really across all of the plans were about 6% higher than what was included in the 2019 budget.

Legislator Nazzaro: We're going to see that throughout then?

Mrs. Dennison: Yes, I was just going to say, you don't see it as much as you think that you might because other departments that are larger have vacancies or a lot of them had changes in elections that mitigated that premium increase but in this department the extra cost for the higher premium is about \$12,000 of the \$40,000 variance.

Legislator Nazzaro: And it was like a 6% increase.

Mrs. Dennison: Yes.

Mr. Bentley: So as noted on here, looking to use about \$80,000 from fund balance to cover that since it does not self-balance.

Mrs. Dennison: As I'm sure you are going to ask, the DM fund balance, the unappropriated fund balance is currently \$946,000. That is beyond the money that is earmarked to be used in the 2020 budget. So we have this resolution proposing to use \$79,000, the other resolution for the vehicles, that is in 2020 but proposing to use \$20,000. So we would be at this time anticipating using \$100,000 of the \$946,000 that is available.

Mr. Bentley: But I'm giving back \$130,000.

Legislator Nazzaro: That's in capital.

Mr. Bentley: But it's in the A fund. But they all interfund transfer at the end of the year.

Chairman Hemmer: Any other questions?

Unanimously Carried

Proposed Resolution – Amend 2019 Budget for Year End Reconciliations – Landfill – Environment

Mr. Pantelis: The employee benefits are under budgeted or the changes that were made at the end, the GASB, the retirement?

Mrs. Dennison: Yes, the GASB expenses were over budget \$101,000, so \$101,000 of that \$165,000 adjustment is due to the end of the year GASB adjustment. So there were \$64,000 in other elements, again, a part of that will be kind of the same explanation as with the DM fund increase in health insurance rates.

Legislator Nazzaro: Again, is that just for pension?

Mrs. Dennison: The GASB 68 is just for pension and then there is also the other employment benefits which is primarily health insurance and life insurance for retirees. So that is a separate adjustment that has not been completed at this time.

Legislator Nazzaro: But the \$101,000 is for pension?

Mrs. Dennison: Is just for pension. As I say, if you look back at the expenses over time that GASB adjustment has varied from \$183,000 to negative \$17,000 so it's all over the map. So the budget for 19', the budget expense was only \$6,000 because that was the actual expense of 2017. So we had low expenses in 17' and 18', its ratchetting again in 19'.

Legislator Nazzaro: Is that at all tied to the performance of the markets?

Mrs. Dennison: Yes.

Legislator Nazzaro: I mean, the markets were very good in 2019 so it's odd to me that you are saying those sides of those adjustments –

Mr. Pantelis: And we don't know what's going to happen in 2020.

Mrs. Dennison: Correct. Our budget in 2020 is again low because it's based on what happened two years ago.

Legislator Nazzaro: There is no delay is there in when we get this number, is it truly, is it a timing issue, is this based on 2019? I know it's affecting the 2019 budget.

Mrs. Dennison: There is not a significant delay when we get the actual expense because we have it for 19'. So we have the expense that was incurred in 19' but the problem is, when we set the budget –

Mr. Pantelis: It was in 18'.

Mrs. Dennison: We used kind of old information.

Legislator Nazzaro: What was the actual for – like for this particular landfill, what was it particularly for 2018?

Mrs. Dennison: For 2018, the actual was negative.

Legislator Nazzaro: See, that doesn't make sense to me.

Mr. Pantelis: We were below the budget.

Mrs. Dennison: Well, the necessary adjustment to the reserve, if you will, to the liability account, the necessary adjustment in 18' was negative based on the information we get from outside actuaries. But I agree with you that it does seem odd that the expense would be so high in 19' when the markets were good.

Legislator Nazzaro: In 2018, the markets were lower because in December things tanked. Just seems like an inverse relationship.

Mrs. Dennison: It also just depends on who's retired. I mean, how much pension we're actually paying out so it depends on the mix of people.

Legislator Nazzaro: Don't they calculate the benefit, and I could be wrong, isn't the benefit calculated not on necessarily whose retiring but based on your workforce? Because eventually they will retire. I haven't dove into that calculation and not going to but I'm just –

Mrs. Dennison: I will ask Todd Button if he would come to Audit & Control because he had much more –

Legislator Nazzaro: I would be interested in that because I think the concern is, because we've been off, should that be something that we should put on the watch list for 2020 and beyond.

Mrs. Dennison: Yea, like I say, keep in mind that in 18', the expense was negative. It's a seesaw thing.

Legislator Nazzaro: I would hope the State is not playing games with this.

Mr. Pantelis: There is a deficit this year so I don't think it's going to be good with the State.

Legislator Nazzaro: Yea but the pension is a separate fund, like Social Security, you should not, that's (*inaudible*), but have Todd come. That would be great, thank you.

Mr. Pantelis: We have one more expense that we want to include in these resolution that came in late. They sent me the bill after we already changed it. It's a bill from the BPU for engineering services for the pipeline. So it's about \$34,000. We want to amend these resolution now if it's possible.

Chairman Hemmer: So you are changing two lines in here, increasing one and decreasing another line?

Mrs. Dennison: This late invoice that Pantelis is referring to is, the original resolution was kind of borrowing a surplus in the contractual and with this additional invoice, the amount to borrow was not as large as we thought it was going to be. So we would like to amend the decrease in appropriations for a couple of classifications, doesn't change the overall decrease in appropriations, but does allow us to recognize this late expense from the Jamestown BPU into the results before making the budget amendment.

Legislator Nazzaro: So the amendment you want is to change those two decreases in EL8160.1000 personal services, -

Chairman Hemmer: So the net value between the two of them – we're swapping numbers there but in the end it's all the same.

Legislator Nazzaro: I will make the motion to amend the resolution to the decrease appropriation account, the first one there, EL.8160.1000.1 personal services, environment-landfill should change from \$11,784 to \$13,723 and the other change is in account EL.8160.1000.4, contractual environment-landfill employee benefits, environment –closed should be changed from \$22,372 to \$20,433. Please note the net effect is zero. Is that correct?

Legislator Scudder: I will second that.

Chairman Hemmer: All in favor of the proposed amendment?

Carried

Chairman Hemmer: Any discussion on the resolution as amended?

Legislator Nazzaro: If you could just explain the increase in the revenue account of \$134,215, share services.

Mr. Pantelis: Yea, is from revenue, from the extra over the budget revenue that we had.

Legislator Nazzaro: Is that for out of County or is that just from municipalities?

Mr. Pantelis: It's together but it's mainly out of County.

Legislator Nazzaro: Mainly out of County.

Mr. Pantelis: Yes.

Legislator Nazzaro: And is that due to an increase in just usage, a lot of waste?

Mr. Pantelis: Both the waste and efficiency. It's more or less the same performance (*inaudible*) last year the waste. We have about 40% out of County waste.

Legislator Nazzaro: So did we just under budget?

Mr. Pantelis: Excuse me.

Legislator Nazzaro: You said efficiency, if the waste remained about the same, I'm just wondering –

Mr. Pantelis: Well, we have vacant positions, we have people who are retiring, we're not replacing them right away, or –

Mr. Bentley: We're able to place the garbage more efficiently than we did last year.

Legislator Nazzaro: It's a revenue account I'm asking about the increase in the revenue.

Mr. Bentley: You have more stuff coming in.

Legislator Nazzaro: O.k., so what you are saying, the calculation is you are netting the revenue – expense in revenue because more efficiencies in the expense side, you are realizing the increase in net revenue. Is that somewhat accurate?

Mr. Bentley: Yes, there are efficiencies gained I think with – you have a larger scale operation, you have more efficiencies –

Legislator Nazzaro: You are spreading the cost.

Mr. Pantelis: Economies of scale.

Chairman Hemmer: Any other questions?

Unanimously Carried as amended

Chairman Hemmer: That looks like we are at the end of our resolutions. Are there any other resolutions to come under "other"? No more, nothing else. Motion to adjourn.

Legislator Nazzaro: I will move to adjourn.

Legislator Davis: Second.

Unanimously Carried (4:57 p.m.)

Respectfully submitted and transcribed,
Olivia Ames, Deputy Clerk/Lori J. Foster, Sr. Stenographer