

Minutes

Audit & Control Committee

**June 18, 2020, 8:35 a.m., Virtual Meeting via Zoom
And Live Streamed for Public Viewing**

Gerace Office Building, Mayville, NY

Members Present: Nazzaro, Niebel, Odell, Gould, Harmon

Others: Tampio, Ames, Swanson, Dennison, Carrow, Bentley, Abdella, Wendel, Quattrone, Chagnon, DeAngelo, Almeter, Schuyler, Cummings, McCord, Crow, Swan, McCoy

Chairman Nazzaro called the meeting to order at 8:36 a.m.

Approval of Minutes (05/21/2020)

MOVED by Legislator Niebel, SECONDED by Legislator Odell

Unanimously Carried

Privilege of the Floor

Deputy Clerk Ames: I've received no comments from the public.

Chairman Nazzaro: As we discussed prior to the meeting, we have our DA with us today, Mr. Swanson, and a resolution came in after the agenda and with permission of the committee, I would like to move it to the top of the agenda so Mr. Swanson can have a productive day.

Legislator Gould: I'll make a motion that we move it up on the agenda.

Legislator Niebel: Second.

Proposed Resolution - Authorize Acceptance of the BJA FY 20 Coronavirus Emergency Supplemental Funding Program Grant for funds for 2020-2022

Mr. Swanson: Thank you Mr. Chairman. We received word that there was a grant available and we have a pretty savvy grant writer, Mr. Derrick Gregory, he made application for this. It's about \$58,000 and goes until January 31, 2022. We have a budget adjustment this year for \$32,000 and then I suspect the remainder of the rest of it will be used next year and ending up the year at the end of 2021 unless the grant requires us to use it into January 2022. I'm not sure about the specifics of that. It allows us to purchase PPE equipment, pay for staff overtime, of all

the things that – really of anything that is going to be related to COVID-19 shutdown. As you guys are probably well aware of at this point, the courts have been shut down. We've had cases still coming in, so our case backload at this time is going to be quite substantial. It's going to require a pretty big effort to move things forward given the volume of stuff that we have sitting in our office right now. There is no local match. It's a federal grant and we're very lucky to have been awarded.

Chairman Nazzaro: So the total grant was \$58,000, Patrick?

Mr. Swanson: Yes.

Legislator Niebel: Fifty eight thousand and eight dollars.

Chairman Nazzaro: O.k. any comments or questions from the committee for Mr. Swanson?

Legislator Niebel: Just a comment. Thank Mr. Gregory for applying and getting this grant. It's \$58,000 no local match, terrific.

Mr. Swanson: Yes, and I do apologize for being filed late. It came up late on our radar. We applied for it and I think there was some necessity to get it on this month's agenda to accept it. We were being pushed to get it accepted, otherwise we'd lose it so I do appreciate it being added to this month's agenda.

Chairman Nazzaro: Any other questions or comments?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget Appropriations and Revenues – North
Chautauqua County Water District

Chairman Nazzaro: I know at the Public Facilities meeting, Todd Button spoke about this. It's a little complicated. Is Todd on?

Mrs. Dennison: It looks like he's not but I can see if he's in the office. Hold on just one second.

Chairman Nazzaro: Well Kathleen, I took notes unless you want to.

Mrs. Dennison: Yeah, I can speak to it too. I did ask him to sign on for this one as well.

Chairman Nazzaro: Whoever wants to take it. Either you can or I can, it doesn't matter.

Mrs. Dennison: I will give the committee the background as I know it and then Chuck obviously feel free to chime in. You probably remember last month we proposed a resolution to amend the 2019 budget for the North Chautauqua County Water District for this same topic, if

you will. When we developed both the 19' and 20' budget, we did not have a complete understanding with how the accounting would work for this project. It's a very involved project with outside payments and we're developing the land but the Village of Brocton has to own it and we're going to buy it from there or something like that. Like I said, it's not an easy accounting piece and so now that we have a comprehensive understanding of how the accounting will work, this amendment allows us to recognize both the depreciation expense associated with the developments in Brocton and the revenue for it.

Chairman Nazzaro: I will just piggyback on that. Like Kathleen said, it's sort of accounting nightmare but really what we are doing is amortizing of the equipment, the true value of the equipment is around \$10.5 million. There is about \$6 million dollars in debt so the surplus value of the cost is being amortized over 30 years. So that is what you are seeing there. So like Kathleen said, you are going to be seeing this every year. Last month we had the 2019 portion, this year 2020, so again, it's basically amortizing the surplus cost of the equipment over the debt over 30 years. If anybody wants more, we can bring Mr. Button in.

Mrs. Dennison: I want to comment too that Todd mentioned at the Public Facilities meeting is that there is a likelihood that, I mean, we're amending the depreciation classification, the contractual classification for depreciation expense, we're amending it now but there is a high probability that we'll need another amendment by the end of this year. Because as I say, it's still a work in progress and the dollar amounts may change and require additional amendments.

Legislator Niebel: This is our best estimate at this time?

Mrs. Dennison: Yes.

Chairman Nazzaro: Exactly.

Mrs. Dennison: Since we do now know the accounting structure for this component of the Water District, as Chuck suggested, when we do the 2021 budget, we'll be able to factor in all of these items.

Chairman Nazzaro: O.k., thank you Kathleen. Any questions or comments?

Unanimously Carried

Proposed Resolution – Authorize Acceptance of Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Grant to Partially Offset Operating Costs for Chautauqua County Jamestown Airport

Chairman Nazzaro: Last month we had one for the Dunkirk Airport. Mr. Almeter is on and he can explain this one for the Jamestown Airport or Brad.

Mr. Almeter: As you noted, this is the second grant from the CARES Act earmarked for airport operating fund relief. Sixty nine thousand dollars, no local match requirement. It can be used for any bonified airport operating expense. There is and it's noted in the resolution, there is

a requirement in the enabling legislation that the FAA has to obligate these funds by July 1st which as the way that flows down then to the County, is that we have to accept the grant, respond back to the FAA that we've accepted it at which point it's obligated and then we have a couple of years to expense it. It won't take that long to go through \$69,000.

Chairman Nazzaro: I believe the grant for Dunkirk was \$30,000. Is that correct?

Mr. Almeter: That's correct. So the County received a total of \$99,000 for the airports.

Chairman Nazzaro: Any questions or comments from the Committee?

Legislator Gould: It's going to cover anything?

Mr. Almeter: Any operating expense at the airport, either personal services, contractual expenses, anything in our operating budget.

Legislator Gould: What about the trees that are sawed down that have been laying there for 6 or 7 weeks.

Mr. Almeter: Those trees have been sold under our timber harvest contract for which the County received \$60,000, roughly. The timber harvester is still working on that timber harvest so he's not done yet.

Chairman Nazzaro: Any other questions?

Unanimously Carried

Proposed Resolution – Removing In-Ground Fuel System at Dunkirk Airport

Chairman Nazzaro: I believe that Mr. Almeter has a picture to show us.

Mr. Almeter: Can you see it? O.k., good.

Chairman Nazzaro: I see the tank and then you have the fueling station, right?

Mr. Almeter: Yea, well, the subject to this resolution is below ground. I don't have a good picture of that but you can see in the foreground, tank covers which is the indication of the – the legacy underground fuel storage tanks at Dunkirk. So a little background on this resolution. The tanks are owned by Dunkirk Aviation, the legacy fuel tanks. In a 2018 resolution, the County authorized a bond to fund the construction of a new fuel, aboveground fuel system at Dunkirk and that is what you see in this imagine on the screen, are the new fuel tanks. The project was funded or the bond was authorized for \$650,000. The actual cost of completion for the fuel system is \$558,000 and as part of that construction contract for the new fuel system, we had the general contractor remove all of the legacy pumps and aboveground piping for the legacy tanks. Now it was Dunkirk Aviation's responsibility as the tank owners, to close and remove the legacy underground fuel storage tanks and there are four of them. They claimed insolvency and

have declined to take any action to close the tanks. So then the burden shifts to the property owner, the County, to close the tanks within one year of taking the tanks out of service. Well the tanks were taken out of service in November of 2019 when we put the new system in operation. So we have until November of this year to close the tanks. Again, technically its Dunkirk Aviation obligation, they are declining to do it. Our Law Department is pursuing legal remedies to get them to do it but in the meantime, we have to have the tanks closed in order to avoid any civil penalties under New York State Environmental statues. So we're working with the DEC, we're working with the general contractor who put in the new system and they have given us a proposal to complete closure and removal of the old legacy tanks. We're estimating the cost of that at \$45,000. There is a fixed component of that, \$31,000 and then there is a variable component which is a function of whether or not we find any contaminated soil and how much of that needs to be remediated. So, on the low end, this could cost us \$31,000 and estimate on the high end, it could go as high as \$45,000. Again, these are work that has to be done by the end of November. We're going to work through the legal remedies to get Dunkirk Aviation to pay for the work but in the meantime we have to get at it and we have a good competitive cost proposal from the contractor who did the new work to close the old tanks. Any questions?

Chairman Nazzaro: Any questions from the Committee? Thank you Ron for your thorough explanation.

Legislator Odell: I would like to add that at our Airport Commission meeting we did discuss this in a little bit more detail and we came, obviously in concurrence but we're lucky on a number of fronts. That the construction of the new fuel farm did come in under budget which allows us to have a little room here to do this closing but also Ron, what he left out, was the cost of the penalties. That we're looking at \$31 to \$45,000 to close this but our penalties could be in the amount of about \$30,000 per month after November. So we're lucky they are on site, have familiarity with this and can do this in a relatively inexpensive rate that will not cost us in the long run. But I do agree that we do need to pursue it on the legal side to make us whole.

Chairman Nazzaro: Thank you Mark.

Legislator Niebel: Mark, as far as the legal grounds, as far as the last RESOLVED, it talks about the Department of Public Facilities and the Law Department taking all necessary steps. Should we put in something about including legal remedies to seek reimbursement or does all necessary steps cover that? I agree, I think that we need to go after Dunkirk Aviation and I think we need to pursue that as much as we can legally.

Legislator Odell: I think that's all encompassing but I would defer that to Allison or Steve for that answer.

Chairman Nazzaro: I agree. We did talk about that Terry in Public Facilities but good point. So could Steve or Allison speak to that?

Mr. Abdella: Yea, all necessary steps would include any sort of legal steps.

Legislator Niebel: Thank you.

Chairman Nazzaro: Are you satisfied with that Mr. Niebel?

Legislator Niebel: Yes, thank you.

Chairman Nazzaro: O.k., any questions or comments? Again, we have enough money in our capital appropriation account to cover for this, correct?

Mrs. Dennison: We do, yes. We have enough in the appropriation account, however in the revenue account since the cost of the project was less than anticipated I believe we only bonded for the \$563,000, so we have enough money in the appropriation account to cover the contract but we don't have enough money in the revenue account. Our options on the accounting side would be if we do not recover any revenue through legal action against Dunkirk Aviation we would have to fund the revenue with reserve for capital. We'd have to do an inter-fund transfer from the reserve for capital to the capital project. The alternative is if we do get revenue from any kind of legal action then that would be the revenue to correspond with the additional expense and that additional work.

(Cross-talk)

Legislator Gould: We'll have to fund it out of the capital now because a lawsuit could take three, four or five years and to make the books good this year we'd have to do it this year.

Mrs. Dennison: Correct. That is- when we close the capital project- likely in 2020 we would have to fund this additional work, so it's likely that it's going to be from the capital reserve and then at some future time if we received revenue from the lawsuit we could return funds to the capital reserve- essentially returning that revenue to the capital reserve.

Chairman Nazzaro: Are you good with that Jay?

Legislator Gould: Yes I am.

Chairman Nazzaro: O.k., any other questions or comments?

Mrs. Dennison: Just one additional clarification that we don't have to do a budget amendment at this time because as you pointed out, we do already have the appropriation authorized. The money can be spent – as with other revenue accounts we don't need budget amendments if we're under revenue, we just need budget amendments if we don't have enough appropriation to spend. The appropriation authorization is there so Ron can proceed with the contract and then we would settle the revenue issue when we do the year-end closing for 2020.

Chairman Nazzaro: Thank you for that clarification. Any other comments or questions? All in favor signify by aye. Opposed?

Unanimously Carried

Proposed Resolution – Amend Budget for Maintenance of Roads and Capital Improvements
– Funded Roads

Chairman Nazzaro: This can be withdrawn. There is no action needed. In Public Facilities we took no action on it. Brad would you like to explain why?

Mr. Bentley: Yes. It's actually for a very good reason. We have received notice from the State of our award for CHIPS, PAVE-NY and Extreme Weather Funding. With the notice of that award they noted that only 20% of our award would be subject to budget reductions, so that gave us the confidence that we can now commit to the state aid to funding this portion of the road project. Part of it is being funded by the wind farm that they're using and we're also going beyond what the wind farm is using and we can (*inaudible*) use state aid and state funding for that, so this resolution is no longer needed with that notification.

Chairman Nazzaro: Steve, we don't need to do anything? We can just move on?

Mr. Abdella: Yes, that's fine.

Chairman Nazzaro: Thank you.

Took no action because the resolution is no longer necessary

Proposed Resolution – Authorize Acceptance of Funds from the Federal Transit Administration
Coronavirus Aide, Relief, and Economic Security (CARES) Act of 2020

Mr. Bentley: This is very exciting and is a relief to the CARTS operations. As we all know the impacts that have been happening due to COVID and one of them has been that we had to reduce our (*inaudible*) CARTS runs from March 19th. As of Tuesday, we actually restarted CARTS full service through the week day for all of our city and rural routes. The reason why we did that is that we received word that this grant is coming from the DOT, through the State and is going to provide assistance up to \$2 million dollars to reimburse us for, I'm going to call it, basically net operating revenue shortfalls as our ridership has been down, as people have been (*inaudible*) Stage 3, we need to start making sure that people can get to work, get to stores, (*inaudible*) activities that are authorized. I'm glad to report that the runs that we reinstated, we do have riders on. We are seeing a return. The ridership is not barely pre COVID levels but again, the grant funding is there to help us through any revenue shortfalls and that we can claim. A question came up at Public Facilities about how far back I can claim back to and in talking with Michele Westphal she believes that we realistically can claim all the way back to March 19th, which is the day we reduced the services. So from March 19th to whenever we expend all the funds or they tell us there is a cutoff date on the grant. As of right now, there is no cutoff date. Along with that, there is two other parts of this. Appalachian Development funding, that is our Team Services, so that will help pay for that and then our Mobility Management, that goes to help fund the Mobility Manager that assist in organizing transportation meetings throughout the County, the businesses and organizations, to help them understand what CARTS is. How to use the system, it's a very important function because it's the (*inaudible*) pieces out to the public so having that position funded through this is a welcome add to the CARES Act here. Again, there

is no local share matches. It's 100%, so, it just money that we can use. The only thing I would note is that we cannot use it to reduce our existing local share. Whatever our budgeted amount for this year for local share, we cannot use it to decrease that. But this is definitely going to help us keep our CARTS system running (*inaudible*) reduced revenues that we're seeing.

Chairman Nazzaro: Brad or Kathleen, do we have any idea of that \$2 million how much will be used this year? I mean, I know obviously we have over a half of a year to go but, any tabulation like from that March 19th date till now, how much we have lost in revenue due to ridership?

Mrs. Dennison: We don't have that information at this time. Brad, Michele, and I did talk about whether we should be amending the budget with this resolution but we just didn't feel like we had enough information about the revenue side but even more than that, when additional expenses, when they would actually be incurred. Because Michele said that some of these things are going to take some planning to implement and so she just didn't have a clear enough idea of what monies would be spent in calendar year 2020.

Chairman Nazzaro: And like you say, there is no end date so, I would assume it would be pretty hard to use the whole \$2 million in one year. It's a large amount of money.

Mr. Bentley: It is a very large amount of money and I agree, this may go into next year. I would expect to be able to use some of this money next year depending on how far the reduced ridership is. Maybe we can compare it to last year's numbers as part of the drivers to claim.

Chairman Nazzaro: But again, I think an important point, like you made Brad, is that you cannot reduce the local share so this will supplement offset lost revenue, if I understand it correctly.

Mr. Bentley: It will help us keep our transportation schedule and services at the level they were pre-COVID. It's a really good thing for the County and just the residents that rely on CARTS as their transportation system. Those that don't have access to private transportation or have to pay Uber or (*inaudible*) are operating so for those people that have to get somewhere, doctors' appointments, this is a critical piece for Chautauqua County.

Chairman Nazzaro: Any questions or further comments from the Committee?

Legislator Odell: Just one Mr. Chairman, I would be interested in what the revenue losses were when that accounting is available. Just for situational awareness.

Mr. Bentley: Mark, just to give you an idea, we're seeing ridership down probably about 50% of what we normally have. We have reduced services so that was part of it but I would say we're probably down about 50%.

Legislator Odell: Thank you.

Chairman Nazzaro: And also, don't you have a shortage of drivers right now?

Mr. Bentley: We employ a lot of part time substitute drivers so it's been a little bit of a challenge to find enough drivers but we have enough to do the week day service but we're making it by but we're actually looking, going to be out looking for another group of substitute drivers. Those drivers only get paid for the hours they work. No matter how many we have on the books, it's about the hours that they actually work. So we can have as many substitutes as we want and it doesn't cost us any money. It's just the hours that they drive.

Legislator Niebel: Did any of those drivers Brad, avail themselves of the furlough opportunity?

Mr. Bentley: No. Some had requested it but they were – I deemed them as necessary for the County and that was supported by the COVID Finance committee, that denial. I did have people off on Mathilda's Law or the part time drivers can opt not to drive, as their right is. So I did have a number of situations where some of our drivers are actually over 70 years old. They felt that it was too much of a risk to drive. It probably was in line with the amount that we reduced our service runs so some parts of the line that people didn't want to drive, coordinated with the amount of service reduction. It's one of those things where as a manager, you just kind of play the hand you are dealt and make the best of the situation and I think Michelle did a great job managing the challenges that were thrown at her on a daily, weekly basis. We're just trying to get back to the new normal here so it's been a little bit of a challenge Terry.

Legislator Niebel: I just wondered if anybody took the furloughs and apparently they did not. Thanks.

Chairman Nazzaro: Anything else?

Unanimously Carried

Proposed Resolution - Acceptance of CARTS Public Transportation 2018 Modernization and Enhancement Program Supplemental Grant

Mr. Bentley: This is another exciting one. I think we had made a prior announcement of this grant. Its \$1.5 million dollars to really provide some really long term needed upgrade of services for CARTS. We made a splash about the hybrid trolleys but that's only part of the story of what we applied for. We have since this announcement confirmed what the money can be used for and there is four parts of this. That includes the hybrid trolleys, it says 3 hybrid trolleys but we have \$600,000 (*inaudible*) part of where that money goes (*inaudible*). Service improvements, rebranding. So CARTS has been CARTS for a long time. It has a reputation, I guess is the best way to put it, but we want to actually make it more than what its current reputation is. Along with the other things we are going to improve, we really need it to be Chautauqua's public transit system for everybody. It's not just for a certain group of people or a certain just function, it's for – just like you'd think for mass transit for New York City. The mass transit for New York City, that's what CARTS is for Chautauqua County. We need to get that message out to everybody. So the rebranding would potentially come up with a new name for CARTS and hire a firm to actually figure that out and help us out with some of that and go towards actually implementing that rebranding. The third part of this would be new technology

called Route Match. We actually use that software but it's actually expanding it out further. You can actually see where busses are in real time. We have GPS on our busses now and you'll be able to pull up an app and see, for that route, where the bus is, when it's going to be there. The hardest thing is sitting at a bus stop and, well, how do I know where the bus is at? (*Inaudible*), smart phones now. This is going to definitely the ridership, increase the usage, we'll still be able to maintain our phone system for those who don't have the smart phones. You can still call in, you can still ask the questions that you always do, so, we're going to appeal to the technology people and we're still going to have the services available for non-technology people but this will certainly be a new aspect to CARTS and certainly goes to increase our ridership. The fourth part of it is consultant services to look at our existing routes and see if we can optimize our routes further. This probably hasn't been looked at in many, many years. We tend to know where people kind of want to go but I think having a consultant on board that knows how to look for certain things, might be able to recommend some improvements that we can make to further optimize what routes we have, can they be changed, modified, do we need new routes, stuff like that to actually further enhance it. So this is 100%, no local share, tremendous win. I applaud Michelle Westphal, her team, and prior County Executive Borrello for helping apply for this grant, we got it, and it's amazing.

Chairman Nazzaro: Thank you Brad and again, congratulations and as I mentioned in Public Facilities, a big thank you to Michelle Westphal for all of her work in this. Questions or comments from the committee?

Legislator Niebel: I was particularly interested in this proposed resolution because it provides for the purchase of trolleys which I understand was Jay Gould's first mode of transportation. The other thing is, Brad, I was working in Finance back in the mid to late 70's when the CARTS program started. It's been known as CARTS since the mid to late 70's and here it is 2020. I'd be a little careful about rebranding it or changing the name because that's what it's been for the last 45 years anyway.

Chairman Nazzaro: Terry, you remember when Jamestown had JARTS, Jamestown Area Regional Transit System.

Legislator Niebel: I do Mr. Chairman and I remember the first Director of CARTS was George, I can't think of his last name but, when I was in Finance, I did assist him and the State and Federal aid grant applications to start the CARTS program. I think it's an excellent program. I'd be a little careful about changing the name because that's what it's been known as for the last 45 years.

Mr. Bentley: And the rebranding can take many different forms. Maybe we keep the same name, maybe we don't but really what we're trying to do is make sure that the reputation that CARTS have because I think it's not fully reflective of what the true function that it performs. I'm looking to upgrade and enhance the reputation of what CARTS is and the functions it is so –

Legislator Niebel: No question that it provides variety of services but Brad, I seriously consider keeping the name because you have a brand name, I think, is successfully used for the past 45 years. But that's just my opinion.

Mr. Bentley: Thank you for the input, I appreciate it.

Chairman Nazzaro: Terry, I somewhat agree with you. We talked about it at Public Facilities. I think like Brad said, how they go with rebranding, it could go in different directions but I think there is a little bit of a stigma where CARTS is. I mean, it's there for everyone. So, I would be careful on the name change but I think rebranding or reimagining the CARTS system is needed.

Mr. Bentley: Part of this is going to be like a survey. You go out in the street and you ask, do you know what CARTS is? If 9 people out of 10 tell you they don't even know what CARTS is, or they tell you that it's only to get people to a doctor's appointment then we have an issue with the communication about what is CARTS about. They are going to help us dive through that to be, is that an issue, is it not? I will tell you that before I took this job, I was born and raised here, moved away but always came back and now that I'm back, I didn't know what CARTS really was until I took this job. So you are talking to a 40 plus year old person that had no idea what CARTS was and what it stood for. I think there is a lot of people out there that are in that same place. But, we're not going to do this slightly, we're going to do it with thought, we're going to do it with purpose, we're going to do it with help.

Legislator Niebel: That's just you Brad. I think there have been a lot of people that have utilized the services and I think there is a lot of people, you'd be surprised of how many people know about this service in CARTS and what it provides.

Chairman Nazzaro: O.k., all good points. Anything else?

Legislator Odell: Brad, congratulations. This is great to you and the team. About a year ago we're looking at the economic development side of the equation, looking at a study around trolleys or transportation, working with the Visitor's Bureau and as part of our economic development strategy and I'm glad that this came up and glad we held off on that study knowing that this was in the wings and that this came about. So, that is great. As far as rebranding, I mean, that is outside the (*inaudible*) of Audit & Control but I'm all for it. We'll listen to the consultant, they'll know best, come up with some ideas to present and I think it's good because there is a stigma associated and one of the aspects, the partnership for economic growth that we're working on so diligently, it is a sector. Transportation, child care, tourism, all of it, it's all going to tie in so with the rebranding, almost like the NFTA or New York Metro, may or may not apply to us but I think it's worth investigating for sure. Thank you.

Chairman Nazzaro: Thank you Mark.

Mrs. Dennison: Brad I have a question about this. It comes from the Planning Board. The Route Match was submitted as a capital project for 2021, correct?

Mr. Bentley: Yes.

Mrs. Dennison: And so this grant would remove the need for funding for that project, is that correct?

Mr. Bentley: Yes and we put that in the capital plan because up until about a week ago, we didn't know that we were getting this grant. So the contract actually finally came in so we were kind of playing both lanes at the time. We had submitted it back early during the capital process. Once this is signed by the State and it's fully awarded, this is just notification, we'll get rid of the capital request at that point.

Mrs. Dennison: The other question from the Planning Board was that it looked like from that capital request, there is an annual maintenance charge for the Route Match software and the Board was wondering whether any of that future annual maintenance, can that expense be paid for by this grant.

Mr. Bentley: Probably not. I think this just covers just getting it in, getting the training, getting it set up, (*inaudible*). We'll roll this into Michelle's operating but again, that operating stuff does get covered by the 5311 grant so it's not 100% local share maintenance cost. It's going to be a very small portion of that.

Mrs. Dennison: O.k., that's good to know because the Board was excited that there is grant money for this but concerned about the ongoing maintenance cost. So, I will make sure the Board knows that maintenance is covered by the other -

Mr. Bentley: Yeah, it's just like the busses. I believe we can, and I'll have Michelle check, but I believe that our existing Route Match maintenance, because right now we use Route Match, this is a add on feature so there is already a maintenance fee that we pay to Route Match and I believe that is covered by the existing 5311 grant that we apply for each few years. So this would be part of that application moving forward.

Mrs. Dennison: Thank you.

Chairman Nazzaro: Great question Kathleen, anything else?

Unanimously Carried

Chairman Nazzaro: O.k., I'm going to turn this over to Mr. Abdella regarding the renewal natural gas agreement and solid waste flow control. First on our agenda is the memo that Mr. Abdella sent out dated June 9th. Steve, I'll let you take over here.

Mr. Abdella: Thank you Mr. Chairman. Knowing the diligent nature of this committee, I'm going to presume that they have read that memo. There was extensive discussion at Public Facilities. I will point out a few things, partly to clarify discussions at Public Facilities. You will see that this package of items is essentially items number 8 through 15 on your agenda. Two of those items are making SEQRA findings and determinations. One in relation to the renewable

natural gas (RNG) agreement and then one in relation to the flow control law. The SEAF's that are listed, the Short Environmental Assessment Forms, that are listed after each of the SEQRA resolutions, those Short Environmental Assessment Forms are in essence, the support documentation for the resolution that precedes it so you are not taking action on those SEAF's except though that resolution in which you are accepting the conclusions of those environmental assessment forms, which, in both cases, those SEAF's are essentially pointing out that the Renewable Natural Gas agreement and then the Flow Control Law will not (*inaudible*) in any material way, the current solid waste flow management in Chautauqua County. It will not increase the amount of waste being processed and in fact will continue our use of the landfill gas in an environmentally responsible way as opposed to flaring it off, it will continue to be used to generate energy. So, each of those SEQRA resolutions make the conclusion that a negative declaration is appropriate for both legislative actions.

With regards to the Flow Control law, a couple of points. One, Chuck you had asked at the Public Facilities meeting whether this law applied to individual residents as distinguished from commercial hauler. I answered at that committee meeting that it only applied to commercial haulers but that's technically not correct. I was focused in on the permitting requirements of the Flow Control law. Those only apply to the commercial haulers but technically speaking yes, I mean this law says to every resident and business in the County, that's your waste is to be processed through the County's landfill and transfer stations unless it falls under one of the exceptions. Now, from a practical standpoint, really, almost all of the waste generated by our residents, end up with either a private collection system or a municipal collection system, even for those who might live next to the Pennsylvania border like myself, I take my waste to the Kiantone Transfer Station, I'm not going to take a couple of bags of garbage each week down into Pennsylvania. There may be some individuals who do that but technically they would be in violation of the law but that's not really the target of this initiative. This initiative is to make sure that all of the commercially and municipally hauled garbage comes to the County landfill which will enable us to sign a renewable natural gas agreement on a long term basis for 20 plus years. To be able to assure that developer that our waste stream will remain unchanged from what it is now, subject to changes in technology or market that our waste stream will support the production of methane gas.

One additional point I'll make and certainly I will respond to your discussion and questions, I sent out yesterday afternoon an email and some proposed amendments to the Flow Control law. At the time that we prefiled the resolution and the Local Law, we sent a memo similar to what the Legislature received, to all of the commercial haulers and municipal hauler customers of the landfill to put them on notice of this pending legislation. We got back feedback in two areas that I mentioned yesterday afternoon. One was the concern which is a traditional concern of those having a Flow Control law pending and we would be the 12th County in New York State to have one, the concern that the mandate that the waste go to the County's landfill and transfer stations, could result in the County feeling less impetus to being competitive in their rate structure since they will have control of that entire waste flow. It has never been and never will be, I believe, the intent of this County's elected officials in terms of the operation of our landfill, which in fact as acted as a check on the other private landfills in the area as far as keeping rates competitive in the whole Western New York region. So to delay those fears, I'm suggesting in the Declaration of Policy Section of the Local Law that we add a sentence that states that the Legislature intends to maintain our solid waste system with its historic economical rate structure with the benefit of our in-County users and continue to operate our system in a

manner that provides a competitive business environment for the County's residents and industries. So that is one amendment and the second amendment dealt with a concern of primarily our food manufactures and particular Nestle Purina. That they are facing from either their national or international corporate headquarters or from large purchasers of their products such as Wal-Mart or others, a desire that they engage in environmentally sustainable waste programs which typically primarily involve them using and disposing of recyclables and organic waste that could be composted or otherwise handled in a different manner. The same would apply to our agricultural waste which are all already exempted under the law as organic waste. But, in the case of the manufactures, they are still generating some municipal solid waste in their facilities. Typically perhaps from packaging they receive, materials they receive, or, very simply, just the office waste generated in their facility. But their big purchasers and the corporate headquarters are requiring that none of their waste go to a landfill. They want this zero landfill waste concept. So, what they've asked is that we have a provision in the law that subject to approval by the Deputy Director of the Landfill which would be the oversight of the County Executive and the County Legislature, the ability to allow these relatively small amounts of municipal solid waste to not come to our landfill and instead go to another environmentally sustainable waste disposal effort which might involve some of these burn to energy plants or other such things. So, you have a second amendment that would allow waste process pursuant to environmental sustainability programs could be exempted from the Flow Control law. When we get to that on the agenda, what I will ask and is not necessarily required, but, I guess just to confirm as this moves forward to the full Legislature, I may ask that the Committee actually entertain a motion on those amendments and pass your support of them if you are in support of them so we have that for the record leading into the full Legislature meeting next week.

Beyond that Mr. Chairman, I'm happy to listen to your discussion and react to any questions that you may have as we move through the resolution and local law.

Chairman Nazzaro: Thank you Steve. As you can see there are many parts to this and we did have a very detailed discussion in Public Facilities but I want to open up to this committee and I want to thank you Steve for the clarification that you made on residential waste. You clarified that and this does apply to everyone, all the residents of this County. So that being said, you all have a copy of the memo, please feel free to ask Mr. Abdella any questions you want for clarification before we move onto the resolutions.

Legislator Odell: Steve thank you very much for that and this is just a clarification, this Flow Control law, this pretty much will negate any potential competition of landfills within the County, correct?

Mr. Abdella: That's right. All of the waste would have to come to our facilities so it would not be able to go to any other facility for final disposal.

Legislator Odell: Good, thank you for the clarification. Other than that, some of the companies, Nestle Purina, Cummings, other larger ones like that, I mean, they are going to have some net zero waste provisions. Believe me, it's not to their economic benefit to haul what little trash they have left up to Niagara Falls to be gasified for thermal energy. It's not an economic benefit, just part of their mission statement, so we can't force them in that so the real provision in that to the exception in there is appreciated. Thank you.

Chairman Nazzaro: Anyone else wishing to ask any questions on the memo? There is no action on the memo but actions on the proposed resolutions. Nothing, then I believe the next step is approving the SEQRA findings and determinations for landfill renewable natural gas, the RNG agreements. That's not the one we need to amend, right? Or is it? No, it's the local law that we have to amend, correct?

Mr. Abdella: That's right.

Chairman Nazzaro: O.k., so this is approving the SEQRA findings.

Memo – RNG and Flow Control

Proposed Resolution – Approving SEQRA Findings and Determinations for Landfill Renewal Natural Gas (RNG) Agreements

Chairman Nazzaro: Any comments or any clarification Steve you want to add to this?

Mr. Abdella: No. So this would be the SEQRA findings for the Renewable Natural Gas agreement. As stated, there is no change in our environmental impact as far as moving to this processing of the gas.

Chairman Nazzaro: Any questions from the Committee?

Legislator Odell: It's all negative impact.

Chairman Nazzaro: It's all negative, no impacts so, all those in favor?

Unanimously Carried

Chairman Nazzaro: O.k., then as Steve pointed out, this is a little confusing, you have the Short Environmental Assessment Form in front of you and as they are showing no negative impact so we can move off of that, I believe. So onto the next resolution.

SEAF Part 1 – RNG Project

SEAF Parts 2 & 3 – RNG Project

Proposed Resolution - Authorize Landfill Renewable Natural Gas (RNG) Agreements with Chautauqua Green Energy LLC (CGE)

Chairman Nazzaro: So this is the next step. Two separate resolutions but there are affecting each other. So Steve, do you want to comment?

Mr. Abdella: The memo also summarized the terms and conditions but purposely in this case in the resolution, we tried to include all of the material terms and conditions in the body of the resolution relating to how this would move forward with roughly a two year construction

window on the development of the new renewable natural gas facility. A 22 year term that includes that two year construction window. The key part of this is, the obligation of the developer and it's expense to take over the operation, maintenance, and mothballing if appropriate of the County's existing gas to energy plant that will remain in the County's ownership. So the goal was to, besides having this developer be responsible at its cost to develop the R&G facility, that they also undertake maintenance of the electricity plant and remove the County's financial obligation for the processing and use of the gas. Instead, what the County will receive are the fixed payments designed to pay off the, in the first instance, the debt service of the existing gas to energy electric plant but then also provide royalties to the County over time. The goal being to remove the County's risk as far as the business risk of operating such facilities on its own. So that's a summary of what the (*inaudible*) are here while having the County continue to address its need to responsibly (*inaudible*) and for the purposes of needing our permits process and handle our landfill gas that is produced in an environmentally sensitive and beneficial way. Any sort of renewable use whether it's the electric (*inaudible*) that we had done or having in this case, the gas process put into the natural gas pipeline markets, accomplishes that goal as well.

Chairman Nazzaro: Thank you Steve. Kathleen, refresh my memory. For the 2020 budget, do we budget \$750,000 or did we not?

Mrs. Dennison: No, we budgeted a million dollar transfer from the energy fund to the general fund.

Chairman Nazzaro: So we did budget the full million in 2020?

Mrs. Dennison: Yes.

Chairman Nazzaro: So besides all the other good things within this proposed resolution, it does have a significant impact on our budget to move forward because the full million was budgeted and the timing of this is very critical. To get this done with the flow control now, correct Steve?

Mr. Abdella: Yes, so what is reflected in the resolution, we're hoping to be able to sign, complete the negotiations of the agreement and be able to sign the agreement by the end of the month which will help assure that the full million would be received in calendar year 2020. That's what we're working towards and what we want to set up here and so yes, as far as the amendment to the local law coming a little bit later, we will ask that that be made on an emergent basis next week so that the local law can be adopted by the Legislature before the end of the month.

Chairman Nazzaro: Thank you. Any questions or comments from the committee?

Legislator Niebel: O.k., as far as paragraph nine, payments to the County, in 2020 we'll receive \$1 million dollars, years 2 through 10, a million dollars, but years 11 through 22, only a \$1,000 per year?

Mr. Abdella: Yes, that is correct. The economic deal in order to get those large payments on the front end of the transaction, included obviously the base payment being reduced to a nominal amount. However, the royalty payment does significantly in those last 11 years or 12 years so –

Legislator Niebel: I see it increases from 5 cents to a dollar.

Mr. Abdella: Right so it then becomes more dependent on the amount of gas being produced by the landfill in those latter years, but the flow control plays into that.

Ms. Crow: I would just like to add a comment if that's alright. The other reason for having the million dollar a year over the first 10 years is that that will offset our debt service obligation so after the first 10 years, our debt would be paid and the remaining contract term would definitely be just a new profit at that point.

Chairman Nazzaro: Right Kitty, thank you.

Legislator Niebel: I understand retiring the debt service of the first 10 years, but I'm just wondering, a \$1,000 per year for the last 11 years or whatever it is, to me, seems a little low.

Ms. Crow: Like Steve mentioned, the royalty payments in the second half of this agreement will increase from about \$28,000 to, could be half a million or more. (*cross talk*)...

Legislator Niebel: Oh, because all I see if the five cents and then the dollars that you think, the \$28,000 to possibly a half a million?

Ms. Crow: Yes, dependent on the production.

Legislator Niebel: Understood.

Legislator Gould: What if they don't use all the gas that is collected by the landfill gas collection system? That is what I'm thinking now, like on the 11 years?

Mr. Abdella: Jay, what they have to pay us is based on what the landfill produces. What they do with it is up to them. It's not based on how much they sell or anything like that. It's based on what we convey to them.

Legislator Niebel: That's because the word "captured" in paragraph "B"?

Mr. Abdella: Yes.

Legislator Niebel: O.k., Jay, that's a good question. I was wondering the same thing.

Mr. Abdella: Yeah, good point.

Chairman Nazzaro: And for this committee too, another thing that I want to point out besides paying off the debt over 10 years, as Kitty pointed out, by having that million dollar payment, as you know we do the budget every year, we always have pretty good discussion on what is the energy plant going to generate and with the prices of natural gas being so low, we've over budgeted in the past and we've had to be conservative now. So, this is going to take a lot of guessing out of our budget too. We're going to be able to have, each year now, we know that we're going to get the million. The five cents is a minor number for the first 10 years but this will certainly help us in our estimates and budgeting process going forward.

Legislator Niebel: It's consistent.

Chairman Nazzaro: Correct. Great questions, anything else? All those in favor?

Unanimously Carried

Proposed Resolution - Approving SEQRA Findings and Determinations for Solid Waste Flow Control Local Law in Chautauqua County

Chairman Nazzaro: This is another SEQRA relating to this. No negative impacts or anything.

Mr. Abdella: That's right. The same theme as goes along with the Renewable Natural Gas. This would not have any impact on the current (*inaudible*) from an environmental standpoint. It would allow us maintain a more beneficial environmental approach in processing waste.

Chairman Nazzaro: And attached you have the short form assessment form. These all go hand in hand.

Mr. Abdella: That's right. One package items, 12 through 14.

Chairman Nazzaro: Any questions on that? Again, no negative findings.

Unanimously Carried

SEAF Part 1 – Flow Control Local Law

SEAF Parts 2 & 3 – Flow Control Local Law

Local Law Intro. 1-20 – A Local Law Providing Solid Waste Flow Control in Chautauqua County

Chairman Nazzaro: Normally we don't take any action on a local law but as Steve pointed out, the request here is to amend the local law in Audit & Control. There was actually two amendments that Steve had read. One was under Section 1, Part B, Declaration of Policy and he highlighted, I can read it again if you want me to or you should all know what it is. It's, "the

Legislature intends to maintain the County's solid waste system historical economic rate structure for the benefit of in County users and continue to operate the solid waste system in a manner that provides a competitive business environment for the County's residents and industries". That is one amendment, correct Steve?

Mr. Abdella: That's correct.

Chairman Nazzaro: Should I take them separately or together? What is your recommendation?

Mr. Abdella: Together will be fine.

Chairman Nazzaro: O.k. that's one and the second one is under Section 3, Flow Control, Paragraph B, adding, in the first sentence, "waste process pursuant to environmental sustainability programs approved by the Deputy Director". So that takes into account, like Ralston Purina and any other companies who do not want to, for environmental purposes, not go to the landfill. So we have two amendments, so we before we discuss them –

Legislator Gould: I will make a motion to amend.

Chairman Nazzaro: Proper procedure, do we amend first Steve?

Mr. Abdella: Yes. The local law is up for discussion, so Jay could make the motion now- have it be the recommendation of the committee that these amendments be made to the local law.

Chairman Nazzaro: O.k., so why don't we do the amendments and then we can have a discussion. Jay are you comfortable with that?

Legislator Gould: Yes, I am.

Legislator Niebel: I'll second it.

Chairman Nazzaro: All in favor of the two amendments to the local law please signify by aye. Opposed?

Unanimously Carried to Amend

Chairman Nazzaro: There is no action required on this? Is that correct?

Mr. Abdella: That's right.

Chairman Nazzaro: So, we've amended it. Is there any discussion on this?

Legislator Odell: No, Mr. Chairman. My questions were answered earlier.

Chairman Nazzaro: Any other questions or comments? Let's move on.

Proposed Resolution – Authorize Execution of State Interoperability Communications Grant
FY 19

Mrs. Swan: This is Jennifer Swan. This is an annual grant that we receive. It does not require any local share match, so it's a 100% reimbursement and it's for our communications equipment such as radios and elements of the radio system. Again, we have gotten this grant every year and this is just another (*inaudible*) grant. It's pretty self-explanatory and it includes the budget amendment for what we plan to include in this year's spending.

Chairman Nazzaro: Thank you. The reason we have this is that it was not included in the 2020 budget?

Mrs. Swan: Correct.

Chairman Nazzaro: Thank you. Any questions for Jennifer? All in favor? Opposed?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget for Office of the Sheriff

Mrs. Swan: This is actually for two pieces of equipment that we needed to purchase. One is a replacement pontoon for our dive team boat. It was damaged and needed to be replaced. That replacement is being fully funded in a combination of an insurance claim and then also grant money. So, it is no local share cost to the county. Also, we have a vehicle purchase, which we are also anticipating reimbursement from the state. It's for navigation and we get a reimbursement for that.

Chairman Nazzaro: So, no cost to the county?

Mrs. Swan: Correct.

Chairman Nazzaro: That's always a good thing. Are there any questions or comments for Jennifer? All in favor? Opposed?

Unanimously Carried

Proposed Resolution – Amend 2020 Budget Appropriations and Revenues Due to COVID-19 –
Department of Emergency Services

Mrs. Dennison: I don't see John Griffith on the call, so I can speak to this. I worked with the office of Emergency Services to develop this resolution. As you know, we've been expending a lot of money for COVID prevention. We have applied for a request for public assistance from FEMA and expect to receive at least 75% reimbursement for these expenditures. The expenditures are obviously not in the 2020 budget, so we do need to increase the appropriations for emergency Services to accommodate these extra purchases. (*Inaudible*) the

budget amendment assumes 100% reimbursement from FEMA. As indicated in the resolution, the typical local match is 25%, so there is a chance that we will only get 75% reimbursement of the expenditures, but that is not known at this time. So, I worked with the office to propose that we amend the budget assuming that we'll get 100% reimbursement because that is still a possibility. In the event that we do not get that, we would most probably have to use local share to make up the amount for which we do not receive reimbursement.

Chairman Nazzaro: Thank you. Our local share would then be about-

(Cross-talk)

Mrs. Dennison: It could be around \$50,000.

Chairman Nazzaro: Thank you for pointing that out because I didn't realize- I wrote down no local share, but we could have a local share. Any questions or comments?

Legislator Odell: I have a quick question just regarding the timing of this. Was there a time deadline to have this in now because we're still in the midst of this? We'll be seeing another one for potentially more FEMA reimbursement down the road?

Mrs. Dennison: That's a good question. The reason we're doing one now is that right now Emergency Services Department 3010 has already exceeded its contractual budget for the year. So, every invoice that they pay requires a budget override. We're doing one now just to help me and the department not have to do a budget override for every invoice, but that is a very good point that- I'm estimating the cost at around \$200,000. I haven't checked recently, but what was reported as of a few weeks ago I think was around- it's definitely over \$130,000 at this point because with FEMA the claims are split into large and small categories. The small category is capped at \$131,000 and we definitely are going to exceed that. We already have. So, what the total expenditure would be, we don't know and at this point FEMA is suggesting that the emergency would end in September, six months after the- it was declared in January, but the process kind of started in March. Right now we have an estimated end date of the emergency of September 20th, but it's possible that that could be extended, so it's also possible that we'll spend more than the \$220,000 and we would need another amendment.

Legislator Odell: Thank you for that clarification.

County Executive Wendel: One of the things- we spoke yesterday in our COVID response team and John is looking at limiting- in fact, an email went out today that further purchases if needed by departments will then be encumbered under the remaining department budgets. There will not be a mass purchase from Emergency Services any longer. We got ourselves to where we are right now. The state is not sending anymore PPE, so anything needed now will have to be an encumbrance on each individual department as they need it to move forward. Just a little clarification.

Mrs. Dennison: That is a good point. Emergency Services or department 3010 is not the only department that's incurring expenditures related to FEMA and not the only department that

will be requesting reimbursement, but since they had those very large initial purchases and it's a relatively small department, the purchases made their department go over budget almost immediately. Some of the other departments that are submitting expenses for reimbursement include the Sheriff's organization, Health and Human Services will probably have some, but since they have a larger budget to work with and their expenditures are a little bit less than Emergency Services, it's not causing an over budget situation at this time and we would be hopeful that it might not create an over budget situation, but it could and since those expenditures we are expecting at least 75% reimbursement. If it gets to the point where those expenditures are causing them to go over budget we would have to do amendments to increase appropriations and also increase a revenue account.

Chairman Nazzaro: O.k., thank you everyone for clarifications. Any other questions or comments? All in favor? Opposed?

Unanimously Carried

Proposed Resolution – Authorizing SEQRA Review of Waterways Panel 2021 2%
Occupancy Tax Recommendations

Mr. McCoy: Good morning everyone. This is an annual resolution we have every year. This year we received a number of applications for the 2% occupancy tax grant program. 31 of those, which you see before you, is the highest scoring projects. We feel we can fund 8 of these projects at about the level that we've experiences for funding over the last few years. We typically do SEQRA before then. After that we'll come back to you next month for another opportunity to review the SEQRA and give you our determination as the environmental significance. After that, they'll be put on a (*inaudible*) and made ready for the County Executive's budget for 2021.

Chairman Nazzaro: Thank you. Questions for Mr. McCoy?

Legislator Niebel: I've got one question. Dave, it looks like we've got 8 programs that we're funding and actually we are funding them at 100%. In the past I believe some of the programs we funded at like 80%-90%. If we had not funded these 8 programs at 100%, couldn't we have funded another one or two programs?

Mr. McCoy: That may be true. Unfortunately-

Legislator Niebel: I think it would be true. My question is why 100% for every one of these programs?

Mr. McCoy: It makes things more efficient. When somebody goes through the trouble of submitting a grant application they often have a local share already built in. We have reached around 30% for our local share across the board. So, it throws a monkey wrench if a year after they've gotten the grant application and the award made- it's just a simple way to do that. Over the years a number of projects have fallen by the wayside where we've had to delay them or completely drop them off due to economic conditions. We have three projects that are

agricultural related projects that we've had to extend because of economic impacts to our friends in the farming community. We do what we can to get these rolling and implemented. It seems to be a better way to do it by just funding what we can at 100%. We have 31 applications. If we funded them all at 30% I doubt that we would get many of them built. Funding 8 of them at 100% is a good way to make things happen.

Legislator Niebel: Dave, I'm not suggesting that you fund all 31 projects because you do have a committee and you do rank the projects and you prioritize. I'm just wondering about the 100% funding. I guess what I'm hearing you say is you've taken into consideration already the local share that these organizations are willing to contribute?

Mr. McCoy: That's correct. Another thing we look at implement ability. You get a grant application that says they're shooting for the moon, but you know they might not be able to get their rocket off the launch pad, we kind of say that maybe this isn't the kind of thing that should score well. We look at what the project is, what the environmental benefits will be from that projects and we try to take the best ones. For a pool of 31 applications cutting it down to 8 is painful, but I think it's a good way to make sure that those get implemented.

Legislator Niebel: It's roughly 25% that are receiving funding.

Mr. McCoy: I understand.

Legislator Niebel: Thanks.

Chairman Nazzaro: Great question. I wondered the same thing because I was thinking about what we've done in the past. I wasn't sure that we've funded everyone that was approved at 100%. I do understand Mr. McCoy's point.

Legislator Niebel: I don't think we have but if the committee has taken into consideration the local share for these 8 programs, the committee has more information than I do, so I'm O.k. with it.

Chairman Nazzaro: Thank you.

Legislator Gould: If we didn't fund them all at 100% we could move a few more down the list and get a few more funded.

Legislator Niebel: That's what I was thinking but I guess I'll defer to the committee.

Legislator Gould: I don't remember ever funding all of them for everything.

Legislator Niebel: Neither do I.

Mr. McCoy: I can tell you that we have for the last 5 years that we've given them 100%.

Legislator Gould: Another problem I have with it is I like to know what these are and where they are. Just by a name I don't know all of them. I know some of them, but I don't know them all.

Mr. McCoy: I understand. Keep in mind that this is just for approval for SEQRA and when we come back with the environmental assessment form you'll have a much better description of the project.

Legislator Gould: I hope so.

Chairman Nazzaro: Anything else?

Legislator Odell: Yes, Mr. Chairman. Dave, thank you for that presentation and just to clarify on the 2% side the last several years, yes they have been funded at 100%. As for the projects, I believe most of these are through soil and water and I think they just had a board meeting yesterday so hopefully that was brought up and discussed, but Dave, thank you so much for- you know we're in sort of a budget flux (*inaudible*.) This is based on revenues for 2021 occupancy tax (*inaudible*) significantly less, but this was budgeted at about a quarter of a million dollars mark, which has been historic for (*inaudible*) without that mark there would be less projects funded.

To Jay and Terry on partial funding- we'll typically see that on the 3% side for tourism and promotion often times you'll see partial funding. Thank you.

Chairman Nazzaro: Thank you. Anything else? All in favor? Opposed?

Unanimously Carried

Proposed Resolution - Authorize Extension of Lease Agreement for the Department of Planning, Division of Planning and Community Development at Welch Foods Building in Westfield, New York

Mr. McCord: I will address this. In 2018 County Planning established a North County office to help reach to smaller communities. We have our full staff currently at the Welch Office Building. This also supports the Town of Westfield, who is actually the owner of the building, and supports the potential future development of that particular property. The lease period, while being a potential 2 year, is on a month to month basis due to the financial situation we're in. So, that provides us a great deal of flexibility. The current lease rate is \$7.65/square foot. That includes not only the office rent, but all utilities and snow plowing and (*inaudible*.) I think if the committee were to review our office rate that is the lowest office rate structure in Chautauqua County as far as cost goes. We also pay for and maintain a separate satellite office for the IDA staff at the same location.

Legislator Gould: How many people are stationed there?

Mr. McCord: There are 6 people stationed there.

Legislator Gould: Thank you.

Chairman Nazzaro: Is the rate the same?

Mr. McCord: They were willing to leave the rate the same.

Chairman Nazzaro: The only comment I have- I'm glad you mentioned it's a month to month because of the difficult financial situation the county is in, that gives us some flexibility because we don't know yet what's going to happen for the remainder of 2020 and obviously into 2021, so I think it's good to have it there but I also think it's good to have the flexibility if needed.

Mr. McCord: Right. That's what we negotiated with the Town in the most recent discussion.

Chairman Nazzaro: Thank you. Questions from the committee? All in favor signify by aye. Opposed?

Unanimously Carried

Legislator Niebel: Mr. Chairman? I looked up our 2% funding for last year for the project and it looks like we did fund 7 projects last year for a total of \$224,454. The 7 projects were funded at 100%, so Mark was correct.

Legislator Odell: Right. Just an added note that actually those projects- the 2020 projects have actually been deferred to be constructed in 2021 just because of the uncertainty right now.

Chairman Nazzaro: Terry, thank you for owning up and admitting you were wrong. Thank you for that.

Proposed Resolution – Amend Chautauqua County Health & Human Services 2020 Adopted Budget for Increased Services for Recipients Costs

Mrs. Schuyler: Good morning. This resolution is to increase our budgeted amount. Social Services law requires that local Social Service Districts have to offer and provide emergency shelter and services at a licensed residential program for victims of domestic violence when those services are required. That law was amended last year, June 2019 such that the requirement that had been in place that any such victim of domestic violence had to apply for public assistance if they were not on public assistance changed. So, the law now means that we cannot ask or force any victim of domestic violence to apply for public assistance and no fees of any kind can be levied against a victim of domestic violence. So, that was the (*inaudible*) for the local Social Services District. The state says that we are allowed to use our title 20 funding, but we already completely surpassed our title 20 funding as does every other county in this state. So, this was a truly underfunded mandate that every social services district including the New York Public Welfare Association did try to fight against, but we were not successful. We have seen increased costs locally related to domestic violence and I honestly feel that this is probably going

to go up higher considering what we've seen with COVID-19 and the increase in domestic violence incidences of people being locked in together. Right now we do have- we're coming in under budget in the family assistance account, so we are asking for these- fortunately we do have the funding here to be able to cover the overage in the domestic violence account.

Chairman Nazzaro: Thank you. So, the family assistance is reimbursed at 79% from the federal government, so the 21% is shifting to the domestic violence, which is not (*inaudible,*) correct?

Mrs. Schuyler: Correct.

Chairman Nazzaro: Kathleen, can any of this- it's a long shot- Christine mentioned that this increase could be related to COVID-19 which is very likely, so can any of this come under reimbursement under FEMA or anything?

Mrs. Dennison: That's a good question.

(*Cross-talk*)

Mrs. Dennison: The FEMA claims is for items incurred to provide public safety. I don't know. I guess if we can substantiate that there's more domestic violence because there's COVID-

Mrs. Schuyler: I think that's a good question that I can take back to the New York Public Welfare Association and see if anyone else is thinking along these lines.

Chairman Nazzaro: I just was thinking out of the box.

Mrs. Dennison: I can also ask Norma Cummings as a former employee hired as a contractor, she's our main conduit with FEMA and she's fulfilling the mechanics of the claim and has a good rapport with FEMA officials, so I could propose that question to Norma and see what the answer is.

Mrs. Schuyler: It might be something hard to prove a direct correlation. I think anecdotally most of us are seeing the same thing with regards to domestic violence just as we are with substance abuse, alcoholism, child welfare- our SCR reports are significantly decreased during this time, our public assistance applications are decreased during this time. I'm every leery and very nervous about a resurgence in public assistance once the unemployment benefits cease. I think that is definitely going to put a surge on our public assistance system and especially safety net. I'm starting to have some flashbacks of our high costs at our last recession when I first took over social services and things were so rough back in those days and if that's what we see again it's going to hit us financially. I fully expect once school resumes and teachers and other mandated reporters have their eyes on these kids and these families more closely we're going to see an increase in our SCR reports and our involvement in our children in the foster care system.

Chairman Nazzaro: Christine, to that point right now we are fortunate that the family assistance is projected to be lower at this point, so what I'm hearing is we were able to cover the cost of the shift right now, but there's going to be more to come on this as the year unravels. We're probably going to be short to cover the domestic violence, correct? Where are we going to find-

Mrs. Schuyler: It's my opinion that we're going to see an increased demand for public assistance services, including domestic violence. None of us know what exactly that's going to mean and it's going to be changing as we move forward, but I think we would be remised to think that we are not going to see impacts locally in these areas.

Chairman Nazzaro: Right, because we're only through the middle of June and we had to increase the appropriation by \$105,000.

Mrs. Schuyler: And of course last year when we did the budget for this section, the law had not been in effect yet that we were really going to see the increased costs that we're seeing now. In the past, anybody that came into the shelter if they weren't already on public assistance we assisted them in applying for public assistance and that was how the stay at the shelter was funded, but that law has changed to protect the confidentiality and dignity of those that are in need of domestic violence services.

Chairman Nazzaro: What was the effective date of that law change? Roughly?

Mrs. Schuyler: I may have to look it up. I don't know if I have it on here.

Chairman Nazzaro: It was after the 2020 budget was prepared?

Mrs. Schuyler: It was last summer, so it was probably about the same time we were getting ready to prepare the budget, but at that point we really didn't know what the impact would be. I think we were hoping that we could nicely talk everybody to applying for public assistance without making them do it and several have chosen not to. We've had some big families that have had to go into the shelter and we've had some women with several children.

Chairman Nazzaro: Obviously this will be a fairly big topic during the 2021 budget discussions.

Mrs. Schuyler: I think we are going to have a lot of topics during the 2021 budget discussions.

Chairman Nazzaro: Any other questions or comments on this?

Mrs. Dennison: I have one other comment. (*Inaudible*) suggesting this reduction in the family assistance- the \$500,000 reduction is pretty big and when Valerie Lis was preparing the resolution she did say this is the best opportunity that I have right now to get \$100,000 into service for recipients, but she admitted that she was nervous about reducing the family assistance

budget by \$500,000 because we're only half year through the year and a lot of things could change.

Mrs. Schuyler: The revenue associated with that family assistance we had to take out of the budget as well.

Chairman Nazzaro: O.k., any other questions or comments?

Legislator Niebel: I would expect that we would see an increase in domestic violence because of the COVID situation, but I was just wondering if anyone has checked with Sheriff Quattrone to see what kind of percentage of domestic violence calls they have received over the last two or three months?

Mrs. Schuyler: Yeah, we've discussed this at our team calls and I've also talked with Chief Snellings and I believe that there is about a 30% increase and that's not unusual for here. What I'm trying to say is that trend is being seen everywhere as is a reduction of reports in potential child abuse and neglect. That's happening everywhere too. The decrease in applications is across the board, so we're all just waiting for this to turn around.

Legislator Niebel: That's unfortunate.

Chairman Nazzaro: Anything else? All in favor? Opposed?

Unanimously Carried

Proposed Motion - Calling on the State of New York to Release Enhanced Federal Medicaid Matching Funds to Counties and New York City

Chairman Nazzaro: Any discussion on this?

Legislator Niebel: This is two and a half billion dollars?

Chairman Nazzaro: In the second whereas- the federal government gave a 6.2% increase in money and it's our understanding that New York is already drawn down about \$2.5 billion, so what really bothered me in this was when I read down to one of the other whereas's in the resolution the state is holding similar FMAP monies for three years related to the Affordable Care Act. So, that one is really bothering me.

Legislator Niebel: Is that in the last whereas?

Chairman Nazzaro: Yes.

Mrs. Schuyler: I think that since this resolution was drafted enough pressure has been falling on the governor's office that his office has now publically come out and said they will act swiftly to do final detailing in the budget office to see how much the total reimbursement is that needs to go to our counties and it sounds like the pressure is on. One thing about this is it's going

to be run through our weekly shares, so right now that's about the \$600,000 per week that is our share of the Medicaid costs for our county residents and as the resolution states, the state is a few years behind in reconciling those weekly shares. We really aren't sure how this is going to come out. They could say we owe them money and once they reconcile they could be owing us money. Hopefully this should get us more current on our weekly shares and give us a better chance to see where we're standing. We have not had any reconciliation for our weekly share amounts now in a little over a year, but as this states it's been several years since the state has made this right. We just don't know what that final amount is going to be and how good or bad at the county level.

Chairman Nazzaro: We cannot assume it's going to be necessarily good news.

Mrs. Schuyler: I'm hopeful it will be good news, but we don't know- we never know the formula and how they determine our weekly share amount and since it hasn't been reconciled in so long they could come back and say that our weekly share costs are higher than what we had been paying in for the last year or three years under the Affordable Care Act.

Legislator Niebel: But it would be nice to know.

Mrs. Schuyler: Absolutely. Maybe this will get us closer to actually having our weekly share amounts being current. We really do need to know either way.

Chairman Nazzaro: Thank you. Any other comments or questions on the motion? Do we vote on motions?

Legislator Gould: No.

Chairman Nazzaro: Any other questions or comments?

Legislator Odell: It's just very disturbing that the state hasn't reconciled. You can't quantify what's not measured and that's horrible. How do you work with that?

Chairman Nazzaro: Anything else? Let's move on to the discussion.

Discussion – Review of Departments and Services – Re: Preliminary 2021 Budget –
Department Heads under Finance

MOVED by Legislator Gould, SECONDED by Legislator Harmon to adjourn.

Unanimously Carried (11:00 a.m.)

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