

Minutes

Audit & Control Committee

**August 20, 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, Dennison, Almeter, Carrow, Bentley, Swan, Braley, Abdella, Crow, Wendel, DeRosa, Chagnon, Griffith, Pavlock, McCoy, Button, Heather Briggs

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

Approval of Minutes (07/16/2020)

MOVED by Legislator Niebel, SECONDED by Legislator Odell

Unanimously Carried

Privilege of the Floor

Deputy Clerk Ames: I've received no comments for the privilege of the floor.

Proposed Resolution – Request Funding for Replacement of Mayville Building Doors

Mr. Bentley: This resolution is to replace the GOB Mayville doors that have become deteriorated and worn. They are no longer closing properly causing them not to be able to locked or unlocked. The alarms are going off as recently as August 11th. We had an issue where that happened. The main driver of that is, age and also the design. The design of that is basically a glass enclosure and the doors are extra tall and very weighty and with the deterioration of the base, we've tried to shim them up but the weight of the doors just continually pull the doors down and cause them to misalign. We no longer can put the shims in there. It's just not feasible so we've proposed a 20-21' capital project to (*inaudible*) the doors. We have around \$38,550 to do the work and redesign it to be a better design and so we're not putting back the same weighted doors and be doing this again two years from now. So we'd like to a little bit redesign and put the proper doors in and fix it so we don't have to worry about this again. We're asking to advance that capital project to 2020 so that we can do those fixes and replacements now before winter sets in here. So we can get this thing fixed, up and running, so we can have a safe

and secure GOB building. The money, we're proposing to come out of the reserve for capital so that would be where the funding source would be.

Chairman Nazzaro: O.k., thank you Mr. Bentley. We did discuss this obviously in Public Facilities and it passed and we decided to move it from 20-21' to 2020 because of the reasons Brad gave. Mainly safety, security reasons and also because it has recently broken down in August. Any questions or comments?

Legislator Harmon: Brad, are these doors custom to the building or are they a standard door you can purchase and have installed?

Mr. Bentley: The ones that are in there now are custom. They are basically, as you come in, it's an all glass enclosure. You also have to have a security assess so there is a security mechanism that have to be put on the doors to (*inaudible*) the signals to security, when someone is accessing them. But it's not something you go to Home Depot and buy.

Legislator Harmon: Yea, I wasn't getting at that. My question was, is there a waiting period or is there a time that it's going to take to get these doors ordered and then installed? Is this the reason why we're asking now?

Mr. Bentley: Well, we actually anticipated getting this and we've been in contact with the door repair guy and kind of put him on notice. We're going to try and expedite everything we can but he believes that we can do this in relatively short order but there may be some wait time for deliveries of specific part. We've kind of asked if we can get standardized doors as – we're going to resize the door because it does not need to be as tall as it is, so that's why it's more than just (*inaudible*). We want to put this back the way it should be.

Legislator Harmon: O.k., thank you.

Chairman Nazzaro: Tom, does that answer your question?

Legislator Harmon: Yes it does.

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

Unanimously Carried

Proposed Resolution – Amend Chautauqua County Purchasing Policy

Ms. Crow: The majority of the changes are for clarifying language. For example, under Item 1, purchasing procedures, we've inserted the words, "per year", in some cases just to make things clearer. The biggest change really to the resolution is under Section 4, individuals with purchasing authority. Previously we used to list everyone's name who had a purchasing card or was able to approve purchase orders and vouchers. Because that's a fluid list and it can change the next day or the afternoon after approving this resolution, because people change job responsibilities or come and go from employment so, it's been reworded so that the list will be

maintained in the County Executive's office and the process for that actually is that as new people come on board, Amanda will contact that department to ask them if that person will have any purchasing authority. It's also for the Ethics Board as well. So that list is maintained on a very regular basis so the resolution, the policy now just refers to that list maintained by the County Executive's office.

Chairman Nazzaro: O.k., thank you Kitty, so that is the biggest change in the policy. That seems reasonable, makes sense. Any questions or comments from the Committee on the policy as a whole? You can not only comment on any changes but anything else within the policy? All those in favor?

Unanimously Carried

Proposed Resolution – Quit Claim Deeds

Chairman Nazzaro: We have two properties – one in Busti and one property in the Town of Pomfret. Anyone wishing to comment on this?

Legislator Niebel: Chuck the first property, the one from Busti, the full market value of that property is \$12,200, we're accepting \$2,000 that is the offer amount. I guess I don't have a problem with that one but the next one, the one from Pomfret, the full market value of that one is \$99,765, we're accepting \$500., do we have anybody that knows this property or can speak to the condition of the property. Probably not, correct?

Chairman Nazzaro: Thank you Terry for bringing that up because that's a huge difference.

Legislator Niebel: I thought so. When I saw it, it looked to me like somebody was getting a hell of a deal but, I haven't an idea where the property is. I think it's just outside of Portland, quite frankly, but I'm not aware of the specific property or its condition.

Chairman Nazzaro: Anyone from Administrative Services, did they talk about this?

Mrs. Dennison: Chairman Scudder gave quite a bit of information about that property. He said it at 4627 West Main Street, just out of Fredonia on the way to Brocton. He said that the property has been in disrepair, the owners have been in and out of foreclosure for years. There was a home on the property and apparently the home has been demolished. I'm familiar with the property. I was actually in that home when it was still there. I didn't know that it had been demolished but, Chairman Scudder said that owner had a lot of financial problems and the people that are making the offer to buy it are the next door neighbors.

Chairman Nazzaro: So basically they are buying land?

Mrs. Dennison: They are buying land, yes.

Chairman Nazzaro: How many acres or how big is the land?

Mrs. Dennison: I don't know that.

Legislator Niebel: Chuck, it's 165x176. It's about an acre of land or little less than an acre. You know what, Kathleen has answered my question, that's fine.

Chairman Nazzaro: O.k., so the house is obviously – you said, the house had been demolished?

Mrs. Dennison: According to Chairman Scudder, the house had been demolished but I know that the house had been vacant and in disrepair for a quite a number of years. As I said, I was not aware that it had been demolished but there have been a lot of difficulties with that property for a long time.

Legislator Niebel: Chuck, I was just looking at the full market value and that seemed kind of high compared to the \$500 offer.

Chairman Nazzaro: You are satisfied now, Terry?

Legislator Niebel: Yes, completely.

Chairman Nazzaro: Good, and thank you for asking the question and doing your research on it.

Legislator Niebel: It was a real estate question.

Chairman Nazzaro: Right. We always rely on those for those questions with your background, so appreciate it.

Legislator Niebel: No problem.

Mr. Abdella: I'll just mention my recollection from Admin Services was, both of these were demos, both are basically side lots, (*inaudible*) under program. I guess I'll just ask Kathy and Olivia and we can look into it but I've been getting the impression that Admin Services the last few months with these Quit Claim Deeds is getting detailed information about what is going on with the properties and I think that should go Audit & Control, frankly all Legislators and to the Law Department because I haven't seen it either. Just so everyone is fully informed when these resolutions come up.

Legislator Odell: If I can just interject, yes, this month Steve they did – Kathy and Olivia putting out the prefiles did put the detail in there which was very helpful. I know that Administrative Services is grateful for the detail as well, so thank you.

Chairman Nazzaro: We didn't have the detail in the Audit & Control though.

Legislator Niebel: No, I didn't see it.

Legislator Odell: There was some detail in the Administrative Services packet that went out with all the others.

Clerk Tampio: It went to every Legislator as well as department heads.

Legislator Niebel: Chuck, just one question. Where is this detailed information coming from? Is it coming from the Town Code Enforcement officer, the Assessor, where is that information coming from?

Clerk Tampio: I believe it was a copy of the offer on the property from the buyer. Is that what your impression is Mr. Odell?

Legislator Odell: Yea, that was part of it that came with the paperwork.

Clerk Tampio: But came from Real Property office.

Legislator Odell: Yep, correct.

Legislator Niebel: So the information is coming from the buyer about the property?

Clerk: Tampio: (*Cross talk*) Real Property, (*cross talk*) what the buyer was offering.

Legislator Odell: The application submitted by the purchases kind of like the Land Bank side lots, the right thing to do, as long as it's reasonable Terry. Like you pointed out.

Legislator Niebel: I'm o.k. with that, that's fine.

Chairman Nazzaro: Anything else on this resolution?

Unanimously Carried

Proposed Resolution – Amend 2020 Budget for Office of the Sheriff

Mrs. Swan: What we ended up doing is, there are a couple of grants that will be coming to a close toward the end of the year, this year, so we made a couple of amendments in order to step down the funds. We have some equipment needs, some are for our dive teams, others for the bomb team, so that's where these changes are coming from, primarily.

Chairman Nazzaro: So the \$50,000 increase, Jennifer, that's for the dive team?

Mrs. Swan: The dive team and the bomb team.

Deputy Clerk Ames: This was amended in Public Safety last night.

Chairman Nazzaro: And what was the amendment?

Deputy Clerk Ames: Jennifer, do you want to go over the amendments?

Mrs. Swan: Sure. The first line that you see under Increase Appropriation Accounts, the A.3110.GRNT.2, instead of \$50,000, will be \$83,500. So that brings that first total to \$276,500. Then down below under the Increase Revenue Accounts, the first one listed ending in 9BMB, it's changed from \$50,000 to \$61,000 and then we're adding a revenue account A.3110.GRNT.R438.9000 and that's going to be \$22,500.

Chairman Nazzaro: What is the title of that revenue account?

Mrs. Swan: Oh, I don't have that written down.

Chairman Nazzaro: I didn't write the number down, I was going to write the title.

Mrs. Swan: Oh, I'm sorry.

Legislator Niebel: Jen, what is the revenue account of that last one, the \$22,500.

Mrs. Swan: It's a Federal aid account but I don't know the title.

Chairman Nazzaro: That's o.k. I just wanted to know the classification.

Mrs. Dennison: I can look it up if you would like the exact title.

Chairman Nazzaro: This has already been amended, correct? So we're just –

Legislator Niebel: Mr. Chairman, Niebel here. Yes, we amended this last night in Public Safety. I did go over the math and it does add up with the changes.

Mrs. Dennison: Mr. Chairman that would be Federal aid, other Public Safety aid.

Chairman Nazzaro: Thank you. So obviously we're voting on the amended resolution because it's already been amended in Public Safety.

Legislator Niebel: Yes.

Chairman Nazzaro: Thank you for going over the numbers with me Jenifer. Are there any questions or comments? Anything you wish to add Terry?

Legislator Niebel: No. It passed last night unanimously in Public Safety.

Chairman Nazzaro: Any other questions or comments?

Unanimously Carried

Proposed Resolution – Authorize Execution of Lease Agreement with Verizon Wireless for Tower Space

Under Sheriff Braley: This is a new lease with Verizon for space on our Oak Hill Tower. This is the first lease we've had (*inaudible*) at that site. We've got another lease at Hardscrabble (*inaudible*) with Ellicott. This is \$4,250 representing the first year of a five year lease.

Chairman Nazzaro: Thank you. So there is no additional cost to the County.

Mrs. Swan: Correct.

Chairman Nazzaro: Any questions or comments from the committee? It's pretty basic.

Unanimously Carried

Proposed Resolution – Authorize Execution of New York State Office of Homeland Security Funding Grant – Operation Stonegarden FY19

Under Sheriff Braley: This is a border security grant that's working in conjunction with State, Federal, and local agencies. This money is fiscal year 19', as you had mentioned. I think they initiated this in fiscal year 09'. This was included in the 2020 adopted budget so there is no budget amendment. This is reimbursement for overtime costs. It kind of allows us to do two things. We meet the mission standards for the border security patrols, it also helps us to schedule additional patrols that we get reimbursed for at particularly busy times or events that are taking place at other places.

Chairman Nazzaro: Thank you and note that there is no local funds involved.

Under Sheriff Braley: No.

Chairman Nazzaro: Any questions or comments from the committee?

Unanimously Carried

Proposed Resolution – Authorize Execution of New York State Governor's Traffic Safety Committee Grant for the Police Traffic Services Program FY21

Under Sheriff Braley: This is grant funding that we received for the current coming year to participate in traffic safety programs that we otherwise wouldn't be able to devote resources to. We get reimbursement in the amount of \$18,750 with no local costs involved. This is not currently in the 2020 adopted budget so you can see there is an attached amendment to the budget.

Chairman Nazzaro: I see that this is a new grant? According to the WHEREAS there. It says, WHEREAS this grant is new for Chautauqua County.

Mrs. Swan: This is actually the second round of this grant that we have received but we weren't 100% sure if we would get it or not. So we weren't bold enough to assume that we were so we did not assume that revenue when we did the 2020 budget. So, I mean, technically, it's year two of the grant but it is essentially new.

Chairman Nazzaro: The other question I had and maybe Kathleen or you Jenifer, I see the grant is from October 1, 2020 through September 30, 2021 and the total amount of the grant is \$18,750. How was the \$1,000 calculated for this amendment?

Mrs. Swan: Actually, I sat down with our Lieutenant who is actually in charge of managing this grant. I asked him what amount he thought would be a reasonable amount to assume for the remainder of 2020 and that was the amount that he provided with the assumption of staff time that he would like to use in the remainder of the year this year. So that is where that \$1,000 came from.

Chairman Nazzaro: Thank you then the difference will be put in the 2021 budget?

Mrs. Swan: Correct.

Chairman Nazzaro: Any questions or comments from the committee? All in favor?

Unanimously Carried

Proposed Resolution – Amend 2020 Budget for State Homeland Security Program (SHSP-2017) Grant Award

Mr. Griffith: This is our 2017 grant. We're just about the end of this grant coming to a close. This monies was spent for cyber security training through the I.T. Department. There is no local share for this and it's just a pass through.

Chairman Nazzaro: And John, you answered my question because I had a comment here, is this the final amount for the grant?

Mr. Griffith: There is a little bit of wages that are already budgeted that will come out through the normal payroll cycle that will close out the 2017 grant.

Chairman Nazzaro: Any questions or comments?

Unanimously Carried

Proposed Resolution – Amend 2020 Budget for State Homeland Security Program (SHSP-2018) Grant Award

Mr. Griffith: Again, this is part of the 2018 grant. This is for radiation monitoring badges for the Haz Mat team, bought through this grant which is a rolling three year program grant.

There is no local share on this and will continuing working out of that 2018 grant until it comes to an end a year from now.

Chairman Nazzaro: O.k., so we have another year left on that?

Mr. Griffith: Yes sir.

Chairman Nazzaro: All those in favor?

Unanimously Carried

Proposed Resolution – Amend Capital Project H.6010.31002

Mrs. Dennison: I will speak to that. I just want to point out that there is a typo in the first WHEREAS clause. This was discussed last night in the Health and Human Services meeting. After “2019”, I would like to insert the word “is” so the capital project “is” in the 2019 capital budget. As far as the background on this, as the resolution indicates, there was just a mistake when entering into their 2019 capital budget. The good thing is that the amount of local funding for the project was correct but there was an error between the State and Federal funding amounts and the total amount of the expenditures. So the project got entered as just the amount of funding which is \$34,814 rather than the total expenditures for the project. Total expenditures as you can see in the WHEREAS clause number two are \$52,470. There is Federal and State aid associated with it. So this resolution just corrects the appropriation amount and the State and Federal funding amount to appropriately execute the project. Because there are \$52,000 in expenditures needed but with the State and local funding that should have been attributed to the project, the local share portion remains at \$17,656.

Chairman Nazzaro: Thank you for that explanation. So now we’re correcting it so the right numbers are rolling into the 2020 capital project.

Mrs. Dennison: Yes, because it was established in 19’, project was not completed, so, the amount moving forward into 2020 and then when the Department of Health and Human Services was completing or making the final purchases for the project, realized that there was not enough in the appropriation budget so that’s where we started looking into it and realized that the local funding was correct but the, as I said, the other components were not correct. So they needed to expand the appropriations budget to the correct amount so they can complete all the purchases.

Chairman Nazzaro: Thank you. With that, do we have any questions or comments from the committee?

Unanimously Carried

Proposed Resolution – Environmental Assessment of Projects for 2021 2% Occupancy Tax Projects

Mr. McCoy: This resolution is a follow up to the June resolution that this Legislature authorized to begin the SEQRA review of the 2020 2% occupancy tax projects. That has been done with this resolution. All of these projects are typed as unlisted within the context of SEQRA. There appears to be no significant environmental impacts associated with the implementation of them. So, there you have it.

Chairman Nazzaro: Thank you, short and sweet. Because we've already gone over the projects. We're issuing a negative declaration. Are there any questions or comments for Mr. McCoy?

Legislator Odell: Just a brief comment Mr. Chairman. We did pass this unanimously last night at Planning and Economic Development and we just went into a little more detail. A lot of the impact-fullness of the various projects that we have listed for 20-21', of course is based on funding availability based on how the cards turn out on occupancy tax revenues for 20-21', but at this point, still budgeting the same amount in hopes that it will be close but we'll work with what we have to work with at that time.

Legislator Niebel: Number seven, the Pomfret Salt Storage project for \$40,000. That check is going to whom? The Town of Pomfret?

Mr. McCoy: That's right.

Legislator Niebel: Look Mr. Chairman, I guess my question is and look, I'll vote for this resolution because I think there are a lot of good projects there but I'm just a little curious. In this case the Pomfret Salt Storage project, it's not an organization, it's not a non-profit, and it's actually the Town of Pomfret which is the largest town in the County. I'm just wondering, do we or have we funded projects for towns like this before?

Mr. McCoy: We have on many occasions. We've funded highway ditch improvements, we've funded streambank stabilization projects that are very near County owned culverts and bridges, and we do have a history of doing projects like this. It's sort of a double bottom line. If we can improve the environment while helping the towns out, it's something that we look at as a great opportunity to do.

Legislator Nazzaro: David, I guess in this particular case, I mean, this is a town, they have their own taxing authority. They are going to have to build a new salt barn anyway so I would think that when they are building that barn, they would automatically comply with all the environmental concerns, the 25 foot setback from the creek that is behind the building, etc.. Again, I'll vote for the resolution but it's not like a homeowners association like the project just before it, Sunset Bay HOA. It's not a non-profit, it's a township. I guess I have a little bit more of a concern about the funding of something like this than some of the other projects. But, again, I will vote for it.

Mr. McCoy: I would like to add that there is a potentially that our contribution to the 2% occupancy tax program will help leverage an application that will be made to the State under the

State's Water Quality Improvement program. So there is a possibility that this could bring three times the amount leveraged, State dollars bring them back into our County.

Legislator Nazzaro: For what specifically though? You are talking about it leveraging 3 times, how? For the Pomfret Salt Storage building?

Mr. McCoy: That's correct. New York State had through the Water Quality Improvement program funded salt storage projects throughout New York State. They don't do a lot of them but they do a few of them and they hope to use this contribution as leverage for State grants, yes.

Chairman Nazzaro: Anything else Terry?

Legislator Niebel: No, thanks Chuck.

Chairman Nazzaro: I think the one thing that I did hear from Mr. McCoy is that this is not the first time we've done something like that. We're not setting a precedence.

Legislator Niebel: I understand. It's just that the rest of these projects, they look like from organizations or non-profits and this one happens to from a municipality. So, I think this is a little different but if we've done it before and as David says, the funding of this project can be leveraged for more money for the Town of Pomfret, I'm o.k. with it. That's fine.

Chairman Nazzaro: Any other questions or comments?

Unanimously Carried

Proposed Resolution – Investment Policy for the County of Chautauqua

Ms. Crow: I also asked Alex DeRosa from Three Plus One is on the call this morning. As you know, they are a first that has been with us for a little over a year now helping us review liquidity and has helped us to make some changes that have been very positive for the County. We meet with him quarterly to go over our investment and liquidity and partnering with them, they've made a couple of recommendations to our investment policy which are the changes in the policy that you are looking at today. It is a requirement for the policy to be adopted annually so this would count as your annual approval. So what the changes are and I don't know if you had received the track change version but, under Item 7, there are five additional banks added and then under Item 10, there is an additional type of investment listed, permanent investment, so it would be the last one there and I will talk about what these are. It's adding – this is a legal investment (*inaudible*) County to utilize as tool. We're just further stating it in the policy, calling it out but it is allowed under the law as an investment of the County. The reason I asked Alex to join us because he might be able to speak more eloquently about it but, IC (*inaudible*) which are insured cash (*inaudible*) and so it allows smaller banks to offer these without having to spend resources for – on the County side it looks like a money market. We can put money in with the bank but on the bank end, the smaller banks don't always have the funds and the resources to collateralize larger amounts but what they do is they make – the member banks spread the money out into \$250,000 increments so that they can be FDIC insured and they pool that among banks

that do this. So we're able to do business with the smaller banks and we have the same liquidity and a money market so we can withdraw the money that when we need to and it's just another vehicle for us to look when it's necessary. Alex, if there is anything else you want to add to that description please do.

Mr. DeRosa: No, I think you did a great job. The key point for this product is the fact that every bank is going to have FDIC insurance on the first \$250,000 of any money that the County deposits in to that bank. So what this product does is allow smaller banks leverage that FDIC insurance so that every single dollar that the County deposits is going to have full backing of the Federal government. Then the smaller banks, don't have to collateralize those dollars. So it's a win/win situation. The County gets full FDIC insurance, the banks don't have to collateralize, and because the banks are saving money on collateralization, they are usually going to pass on a little bit of a higher rate. It was really a product that was created for local community banks because they weren't exactly always able to compete with the large institutional banks like the JP Morgan Chase's, Bank of America, US Banks that have entire departments dedicated to collateralization. So it's really a great product that levels the playing field and great (*inaudible*) situation for the County and the bank.

Ms. Crow: There were five local banks Alex noted that provide these types of accounts and so we're just adding those banks on to the designation of depository list.

Legislator Niebel: That was under number seven?

Ms. Crow: Yes.

Chairman Nazzaro: So that's the Bank of Castile, Five Star Bank, Cattaraugus County Bank, TD Bank, and BankonBuffalo, those five?

Ms. Crow: Yes, those five.

Chairman Nazzaro: I agree, that's a win/win for not only the County but for the banks and the community. Puts it more on equal playing field. So like Kitty said, this is an annual requirement that we approve the investment policy and go over any changes. I see Steve wants to comment.

Mr. Abdella: I think that we can just view it as a typo. In the line that starts the RESOLVED clause, it's currently states that the County investment Policy is hereby reconfirmed and amended in Section VII to read as follows, I think it should say, in Section VII and Section X to read as follows. We can just have the Legislative staff add that for what is put in to the full Legislature prefile.

Chairman Nazzaro: Do we need a motion to do that or we just –

Mr. Abdella: I think it's a typo because the changes tracked in the resolution and is showing a new underline material in Section X so it's just really making it consistent.

Chairman Nazzaro: O.k. everyone knows the typo then and Section X in the first RESOLVED. Kitty, anything else on the policy?

Ms. Crow: No, no other changes are recommended at this time. I think everything is still adequate for our current practices. Separately, we usually come up with a strategy that helps us to achieve the goals and the policies.

Chairman Nazzaro: I just want to say too since we have Alex here from Three Plus One that it's been a very successful partnership and Kitty has worked very hard on his and do you just want to briefly highlight the benefits that we've seen for the committee. Very briefly before I vote on the policy.

Ms. Crow: Some of it has been good validation of our practices but it's also allowed us to have a recommendation like the ones added to the policy today because Alex and others at Three Plus One, they are kind of living this day to day and so they've helped us negotiate better terms with our banks, especially in changing environments like we have now. So Alex is always on top of looking at any little banks (*inaudible*) change that we have, making sure we're aware of it, going back to our bank reps and talking to them and negotiating how we can best leverage all of those fees and returns on all of the relationships that we have with our banks. So, it's been a great help to me also because it's an area where I'm still learning. So Todd and I, we sit down and meet with Alex every quarter. We're actually meeting with him after this meeting today to go through the last quarters (*inaudible*). They keep a close eye on our liquidity window and where we can make sure we're maximizing the funds that we're able to invest. So it's been very helpful for me and I think we've seen the return. Especially a lot on the side of our banking. Reducing our bank fees and increasing the ECR(?), I think that's the term there.

Mr. DeRosa: Yes exactly Kitty and I have to say that Chautauqua County certainly is one of our shining stars. You all had a very high cash vest(?) score when we delivered our first report but now over the past year, the cash vest score has increased to a 96 out of 100 and this investment policy changes actually is going to increase even closer to 100. So you all are continually maximizing every single dollar of taxpayer money and that's our goal at Three Plus One, is to make that possible. So everything that you do both on the banking side and the investment side, has really paid off over the past two years for your constituents. You are going to see that even more in the next 12 months as you have so many dollars locked in at higher rates because of how far rates have fallen the past three months. Counties who don't maximize their value as well as you all do, are going to be experiencing much, much more significant decreases in interest revenue than you all are going to see in the next 12 months. So that real huge benefit is going to be seen throughout the rest of 2020 and 2021.

Chairman Nazzaro: Thank you Alex and Kitty and again, it's been a great partnership and we look forward to continuing that partnership and I want to thank everyone on Kitty's team for being involved in this. As you say, it's a learning process and it's been a good one. So, back to the investment policy, I didn't forget. Do we have any other questions or comments?

Legislator Odell: Just a quick comment. Just really a housekeeping comment because we look into Section XIV, oversight of the investment program, our Audit and Control Committee is

asked to meet quarterly to review the objectives and really go through and make sure we're on pace with the four objectives that are outlines in Section II and again, meet annually on that. So just putting that out there for our committee as a reminder.

Chairman Nazzaro: Thank you. Terry, did you want to say something?

Legislator Niebel: Back on Section VII, designation of depositories. O.k., we're adding five more depositories and most of these are outside of Chautauqua County? The reason we're adding these is because possibly we can get better rates, is that it?

Ms. Crow: Actually it's because they offer those types of accounts, those ICS accounts. Those five banks were in our region as small banks that offer those investment accounts.

Legislator Niebel: As far as the policy, we try and deal with banks within the County as much as we can?

Ms. Crow: Sure, but like for example the small banks, we wouldn't get a traditional money market with them because JP Morgan is going to be able to offer a better rate or M&T. That's why we're trying to provide other - maximize the option that we have available to us to put our dollars where we get the best return.

Legislator Niebel: I understand the best investment, that's fine. Thanks.

Chairman Nazzaro: Anything else on the Investment Policy, good discussion. Thank you Alex for joining us.

Mr. DeRosa: Thank you for having me, I appreciate it.

Chairman Nazzaro: All in favor?

Unanimously Carried

Chairman Nazzaro: Before we move onto the discussion items, I received an email late last night. Mr. Almeter from the Airport, we have a resolution. I don't know who has this but the resolution that I agreed to have presented was:

Proposed Resolution –Acceptance of Funds from the FAA and NYSDOT for the Runway 15-33 Lighting Improvements (MIRL/PAPI/REIL/Wind Cones) Projects – Design at the Chautauqua County/Dunkirk Airport

Chairman Nazzaro: This came in late, I know that Mr. Odell might want to comment on this. The Airport Commission has approved this. It's for improved lighting. Again, this is for the design phase. We have Mr. Almeter on here, Mr. Bentley, Mr. Odell, whoever wants to go, go at it.

Legislator Odell: I will lead off and I'll let Mr. Almeter take over and then Mr. Bentley. This is FAA driven and we know how many emergency resolutions sometimes are dragged into the legislative chambers to accept grants at odd times of the year, off cycle, it's at their whim so again, this is one that is coming up as the Feds are looking to early expend some Federal funds that they had earmarked and available. So this came up and needs to be accepted prior to so Ron, thank you for getting it together. I think it was back in January when the initial application went out but again, at that time as we look at the airport improvement program for both facilities, we take a look through it again and also through the capital program. But we've concurred unanimously to put forth the application for the grant but when it comes in it's often time on the whim of the Feds. With that Ron, go ahead.

Chairman Nazzaro: I see Ron that you have already changed the numbers on us.

Mr. Almeter: But I changed them in the right direction. Thank you Mark for going over the background. In deed we did bring the project to the Legislature in January as part of our five year airport improvement program review. We submitted the grant application in January for this project to be funded in 2020. So the FAA goes through their review process and along the way, the Federal government passed the CARES Act, public law 1162-136. One of the provisions of the CARES Act provides for 100% Federal funding of fiscal year 2020 AIP projects. I missed that when I drafted the resolution yesterday. Sam Zaputo caught it and brought it to my attention this morning and that is why you see on the shared screen here, the corrections to the draft resolution. In reality, the Federal government is offering this grant at 100% Federal share. No local share. That's the financing.

Chairman Nazzaro: I have a question here and thank you, you did go in the right direction here, I like the zero local share. Does that also mean on the construction phase, we'll have no local share or only on the design phase?

Mr. Almeter: The good news doesn't extend into the construction phase. Under the terms of the CARES Act, the Federal government expressly is picking up the local share for fiscal year 2020 projects. No assurance going forward on fiscal year 21' or beyond. So, we'll benefit from that for this year, the savings to the County. That opportunity value there is about \$4,000. The project itself is fairly straightforward. It's replacing a number of lighting systems for our secondary runway, our cross wind runway at Dunkirk. These will get replaced with LED lights and so there will be a life cycle cost savings associated with reduced power demand, which is fairly substantial. I looked at our electric bill for the airfield and it averages over the last 3 years, \$460 per month. I think we can reasonably predict about a 25% savings. This accounts for only one of the two runways but there is substantial amount of lighting involved. So there is some life cycle savings to be achieved and we'll see that in the years ahead. The work is only for the design phase. The design should be completed early next year which will allow us to apply for the construction grant in fiscal year 2021 and that also is in our five year airport improvement program plan. If anybody wants the translation on what the different lighting systems are, the MIRL, the PAPI, the REILs, and the Wind Cones, these are all approach lighting systems that allow the pilot to align up on the runway and basically adjust their glide path for a touchdown right on the threshold of the runway.

Chairman Nazzaro: Thank you Ron and according to the information that you sent last night, the construction phase is estimated at \$800,000 with our local share being \$40,000. Is that correct, the estimate?

Mr. Almeter: It is right now. The information that I'm getting through our trade associations, the HEAL Act which is the next piece of legislation under consideration and I understand it's stalled at this point because the Senate is in recess, HEAL Act has some provisions to continue some funding the AIP projects at 100% in the out years but that legislation is almost stalled at this point in the Senate.

Chairman Nazzaro: Any questions or comments from the committee?

Mrs. Dennison: There will be some additional edits to the resolution. Do you want to discuss those at this time?

Chairman Nazzaro: We might as well approve it with the edits so we don't have to do it on the floor.

Mrs. Dennison: The first change would be in the 4th RESOLVED clause, it says at the A fund balance is adjusted as follows. Ron has changed that amount to zero there but really that entire clause can be removed because we're not using the fund balance. And then as Ron just highlighted, the increase in appropriation account can be stricken under the final RESOLVED clause and then I did this morning receive – my able assistant Jenelle Hansen, she provided the appropriate sub-project numbers. Ron, if you want to back up, that RESOLVED clause that involved increasing the use of fund balance, that entire clause should be stricken. Then we're removing the Increase Appropriation Account and then under Establish and Increase Appropriation Account, we have the yellow highlights there, the number should be HR5610.25196. and then under – you could take out the three “x”s, x2196 and take out one of the proceeding two fives there.

Mr. Almeter: I'm not following you there.

Mrs. Dennison: Under Establish and Increase Appropriation Account, where you have the part that is highlighted in yellow, you need to take out the three “x's” and you have two fives in there twice. Then under Establish and Increase Revenue Accounts, we're going to take out the first two lines and then the final line should be H.5610.25196, the 196 replacing the three “x's”. We should also remove the total line under Establish and Increase Revenue Account and then the total could be removed.

Chairman Nazzaro: Is everyone seeing the resolution on their screen?

Legislator Niebel: I'm not.

Legislator Gould: I'm not.

Chairman Nazzaro: O.k., since and if I understand the procedure right, since this was not a prefiled resolution, there is no need to amend but I want to make sure we're approving the correct numbers here. So all the changes, which I watched Kathleen go through, all the changes that were made, we're approving the resolution that we see on this screen here for those who can see it. But there is no need to amend it because it was not prefiled, is that correct Kathy?

Clerk Tampio: Yes, Mr. Nazzaro, I'll defer to Steve on this but the Legislature prefile is not until tomorrow so this resolution can be totally cleaned up and presented properly and as long as it's signed through by one Legislator, it will go into the Legislature meeting prefile. So, we can note in there that it has been reviewed by the Audit & Control committee but it can just be prefiled tomorrow. It doesn't have to be – I'll let Steve answer that question on whether you guys reviewed it, put that in the minutes, and approved it for prefile for the full Legislature.

Chairman Nazzaro: Because I don't think that everyone got the email last night.

Clerk Tampio: Right and not everybody has seen the resolution.

Legislator Niebel: O.k., so then Chuck, this doesn't have to be an emergency resolution next week? But because it can be prefiled tomorrow?

Chairman Nazzaro: It's needs to be voted on because of the date – it has to be approved prior to our next meeting. I think what we are saying is, we can prefile it with one Legislator signing on. So, since the committee has not seen this and then we made a number of changes, I'll leave it up to the committee or Steve can comment. Either way, I think we're going to get it prefiled because I would agree to sign off on it.

Legislator Niebel: I'm going to have a problem voting on something that I haven't seen.

Clerk Tampio: Once we get the finished resolution, all the changes that Kathleen went through, then we will get it here in the office and we'll send it out to everyone and it will be in the prefile.

Legislator Niebel: Kath, I understand that but if we're going to vote now on this, I have a problem because I haven't seen it. I don't feel that I can vote on it at this time.

Chairman Nazzaro: I'm not going to call for a vote on it.

Legislator Gould: I haven't seen it either.

Clerk Tampio: You're right. It's not necessary to vote for it in the committee.

Legislator Niebel: O.k.

Chairman Nazzaro: We're not going to vote on it in the committee because not everyone has seen it. There were a significant number of changes so they are going to clean up the resolution and since I have gone over it, if Kathy needs someone to sign off on it, as a Legislator,

I'll be glad to do that and it will be in the prefile packet to be voted on because this grant has to be approved, I believe, by September 15th. That's why it's coming now.

Legislator Niebel: Oh, so it is time sensitive.

Chairman Nazzaro: Yes, this came at the moment, again, it went through the Airport Commission and Ron sent an email last night explaining why it came at the last minute. I'm comfortable with that because we're dealing with the FAA and the government, you know how they work. But, it does have to be approved by September 15th to move forward. So no action is going to be taken in this committee today.

Mr. Bentley: I'll just confirm, this is the way the FAA works with their grants. When they have the money to spend, they notify us. They notified us yesterday so Ron put this together very quickly. We had the opportunity to at least take to Audit & Control as information and as you said, if there is a better way of doing this, we would. It's just unfortunate the FAA doesn't give us more time to respond and like you said, we need to have this back to them by September 15th which would be before the next Legislature meeting (*inaudible*). So, it's not a long time to get a response back without calling an emergency session of the Legislature. So, we're trying to avoid having to call another separate emergency meeting just for this. So we wanted to try and get it at the August meeting.

Mr. Almeter: To put a footnote on that, I just received an email from the FAA, (*inaudible*) alerting us that a second grant has just been sent out and will land in the County Executive's electronic mailbox, don't sign it, for a 2020 grant that we applied for, for the Jamestown Airport to do an environmental assessment pursuant to doing obstruction removal. So, like the grant we are talking about right now, the Dunkirk Airport lighting design, this comes with a very short fuse, they want us to accept the grant not later than September 4th. What I will do is tee this up as a second resolution and figure out if we want to get it as an emergency resolution before the full Legislature when they meet next week. But it's another verse of the same song, 100% Federal funding and this year only.

Legislator Gould: Does it say how much?

Mr. Almeter: This is a \$246,000 grant for an environmental assessment at the Jamestown Airport and it's the second of the two grants that we applied for in January.

Legislator Gould: Thank you.

Legislator Niebel: It's probably a good thing that we're getting notification now, rather than next week or the week after.

Chairman Niebel: So this will have to be laid on our desks for our Legislature meeting next week, correct Kathy?

Clerk Tampio: Yes.

(cross talk)

Chairman Nazzaro: O.k, right, sorry. It will be sent to us when we have it.

County Attorney Abdella: Mr. Chairman, I think what we would try and do with assuming that we have sufficient information is, for instance if you and Mr. Odell would be willing to sponsor the second resolution we would also try and have that prepared or prefiled tomorrow morning.

Legislator Niebel: So it wouldn't have to be an emergency resolution.

County Attorney Abdella: That's right.

Legislator Niebel: That's the route that I would go Mr. Chairman.

Chairman Nazzaro: I'm agreeable to that if Mr. Odell is. Mark, are you agreeable to that? I don't know if he's still on or muted or what. But, can we go back to a full screen now? Ron, do you have anything else to share?

Mr. Almeter: I'm sorry, I was muted. Let me figure out how to take this –

Chairman Nazzaro: I just want to unshared the screen so I can see everyone. Steve, I'm agreeable to that if Legislator Odell is but I'm not sure where everyone is on this.

Legislator Niebel: Chuck, I think that it's pretty similar to the Dunkirk resolution so if you just want to sign that to get it before the Legislature next week, I'm perfectly fine with that.

Chairman Nazzaro: As long as I understand what the future financial commitment to the County is too. Because these are always in phases, these grants.

Legislator Niebel: They are but it sounds like this one is time sensitive to what, September 4th and the other one is September 15th. We don't have a lot of time to react to these so I would just get them before the Legislature. We can always have a discussion on the floor of the Legislature.

Chairman Nazzaro: I agree and Legislator Odell sent me an email last night that he had to leave the meeting by 10:00 a.m., so he may be already off the call. So we'll be looking for that Steve and Ron and then I will be one of the sponsors if that is what you are looking for and I'm sure Mark will too. So, we're not taking any action on this, the one that was presented today. Are there any other resolutions that are coming here? I believe we are done with the resolutions and now we have three discussion items.

Discussion – High Level Review – Q2 Budget Performance – Budget Director Dennison

Discussion – Auditors Audit Report – Finance Director Crow & Heather Briggs (Bonadio)

Discussion – Airbnb – Finance Director Crow

Other

Chairman Nazzaro: We do have to go into executive session on a matter but before we do, do we have anything for open session? Anything to come under “other”? O.k., with that, I know it’s been a long meeting. Steve, will you please tell the committee the reason that we need to go into executive session.

County Attorney Abdella: We would need a motion to go into executive session to discussion the potential acquisition of real property.

Legislator Harmon: I can make that motion.

Chairman Nazzaro: Again, the motion is go into executive session for discussion of potential acquisition of real property. That is your motion, correct Tom.

Legislator Harmon: Yes.

Chairman Nazzaro: Do we have a second?

Legislator Gould: Second.

Unanimously Carried (10:34 a.m.)

MOVED by Legislator Gould and SECONDED by Legislator Harmon to come out of executive session.

Unanimously Carried (10:59 a.m.)

MOVED by Legislator Gould, SECONED by Legislator Niebel to adjourn.

Unanimously Carried (11:00 a.m.)

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