

Minutes

Audit & Control Committee

January 21, 2021, 8:35 a.m., Virtual Meeting via Zoom

Gerace Office Building, Mayville, NY

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

Others: Tampio, Ames, Cummings, Bentley, Zahn, McCoy, Dennison, Keller, Wurster, Giese, Abdella, Button, Dixon, Contiguglia, Perry, Crow, Carrow, Chagnon, Almeter, Wendel

Chairman Nazzaro called the meeting to order at 8:37 a.m.

Approval of Minutes (12/10/2020)

MOVED by Legislator Niebel, SECONDED by Legislator Harmon

Unanimously Carried

Privilege of the Floor

Chairman Nazzaro: Are there any communications for the privilege of the floor?

Clerk Tampio: I have received no communications.

Proposed Resolution – Continuation of Interim Funding for North Chautauqua County Water District

Clerk Tampio: After discussing this issue with Kathleen Dennison of the financial aspect then with Steve Abdella for the legal part, the interim funding provided by the County for the initial stages of the North Chautauqua County Water District capital project, expired at the of 2020. That was for an amount of up to \$4 million dollars. We have not spent or the District has not spent the \$4 million dollars. There should be approximately half a million dollars remaining that could be utilized by the District. So, after consultation, at this point and time we would like to extend the period of financing out to the end of 2021. The reason we have to do that is there has been a delay in processing of ESD grant for \$1 million dollars and also processing of a grant provided by the New York State Department of Corrections for a portion of the Brocton project that is part of our water district project in total. So, cash flow is not sufficient at this time to do some of the costs that take care of the costs that will be coming up very soon until we can get

Phase II project started. The Phase II project includes the new water tank in Sheridan, a water main to that water tank and the interconnections with the Village of Fredonia for emergency water. That delay has been primarily due to the delay in approving the design plans for the project by the New York State Department of Health. I think a large part of their delay is probably due to the staffing concerns that they have had this past year because of COVID but we still have not received those approved plans. We expected them to come in late summer or early fall of 2020. We still have not received them. We hope to get them soon so we can bid this project and get the construction started. So, the construction time line has been pushed out at least by a year. We don't expect this Phase II of the project to be completed until 2022. In the meantime, we do expect to receive some funding through the grants I mentioned previously but I need to extend at least to the end of 2021 with the interim funding already provided by the County.

Chairman Nazzaro: Thank you Kathy. Any questions or comments from the committee. I know I have some information coming from Kathleen but, I'll open it up to the committee. Any questions or comments?

Legislator Niebel: Just to reemphasize what Kathy said, this is not a request for increase in the funding. The funding stays at \$4 million dollars. This is merely an extension of the time period to expend the interim funds.

Chairman Nazzaro: That is correct. I did have a question during Public Facilities about the interest piece because the last RESOLVED said, the interest is to be set so that the County does not lose any investment income. This loan does go back to at least, what, 2019?

Ms. Crow: 2016.

Chairman Nazzaro: So Kitty, it's my understanding that we have not been accruing interest on this.

Ms. Crow: Well, we haven't booked it to the project but I have a running tally of the average interest earnings to date and what would be applied if we were applying it right now. So accumulatively it would be about a \$160,000. Our average rates have been about 2.14%.

Chairman Nazzaro: And that goes back to 2016, you said?

Ms. Crow: Yes, September 2016.

Chairman Nazzaro: So the question for our finance books is for the Audit & Control committee. Should we set up an accrual to recognize that owed to the County?

Legislator Niebel: Isn't that included in the last RESOLVED?

Chairman Nazzaro: Yes, it's stating what the interest would be. The question is, financially, since interest is – to me, we should accrue it. That's the way I would have done it but

maybe under government standards it's different. I just asked in Public Facilities, to address that during Audit & Control, should we - so far, there is a \$160,000 worth of interest -

Ms. Crow: It will be an adjustment to the reserve for capital because essentially that is kind of where it's coming from. Todd, are you on?

Mr. Button: I'm here.

Ms. Crow: Wouldn't that - I guess now it would just be interest income on a loan.

Mr. Button: Right.

Ms. Crow: So it would go to general fund balance.

Legislator Nazzaro: (*Inaudible*) accruing the interest but that's (*cross talk*) to the County then, that's fine.

Mr. Button: We'll book that. I mean normally on a monthly basis the funds are (*inaudible*) charged for their applicable earnings so we can take that and retroactively book it into this year. That's no problem.

Chairman Nazzaro: The thing that should be done Todd, I'm not trying to micromanage -

Mr. Button: No, it should be done. I mean, when we first initiated that EWN fund, it has a negative balance because of all the borrowing it's doing. At the time, it was just absorbed as part of the interest calculation with the general funds but the figures were there so yea, we can -

Chairman Nazzaro: It will be like a yearend adjustment then.

Mr. Button: Yes.

Chairman Nazzaro: Alright, thank you. That will come later. Any other questions on what's before us? All in favor?

Unanimously Carried

Proposed Resolution - Amend Resolution 99-18 - Authorizing Sale and Option Agreements for Redevelopment of Roberts Road Properties in the City of Dunkirk

Mr. Geise: I'm going to speak to this a little bit and then Rich Dixon will jump in as well but, this resolution is seeking to amend a resolution that was adopted back in 2018 where in the County entered into an agreement with Roberts Road Freezer LLC to sell and provide options on land on Roberts Road where the old Alumax facility was. The reason was to build this large freezer. Demolish the old plant and build a new freezer and that has occurred. At the time, the developer, Roberts Road Freezer, LLC, had decided that they didn't want all 17.5 acres. They only wanted just under 10 acres because the Progress Drive cut the land in half and the parcel

that is south of the Progress Drive really isn't developable so they had chosen at the time not to exercise the option on that. But there is some new movement on that land next to Roberts Road Freezer and they are now interested in the remaining, a little under 8 acres of land, so they would like to exercise the option on those parcels as well. So you'll see the amendment near the bottom. It was 9.92 acres and now its 17.45 acres. They are adding that extra 8 acres. This is a really win/win/win because with the new Wells investment in Fieldbrook and the new freezer that's been built on that land, they are looking at future expansion. So they are interested in this land now and it also, you know, the County has to monitor, currently monitor, there is about a dozen wells on that land, on that 8 acres, that they have to monitor and there is a cost associated with it at approximately \$5,500 a year which the County will no longer be responsible for and will put the property back on the tax rolls. So, that's it in a nutshell. Do you want to add to that Rich?

Mr. Dixon: As Mark said, the property is very long, very narrow. The railroad tracks are behind it, Millennium Parkway in front of it. Not suitable for any buildings or any size. This will allow the developer if he has any fill from the proposed project on the other two parcels that he's got the option on, we got fill over there to cap that. It will take care of the brownfield and as Mark said, it relieves the County of the liability, puts it back on the tax roll and I know that Brad will be glad that he doesn't have to deal with that parcel anymore, the environmental people. So get the DEC off our back and everything. So as Mark said, it's a win/win for everybody.

Mr. Giese: Just like (*cross talk*) asked about the purchase price where it says a dollar provided however that during years 6 through 10, the purchaser shall be required to match any other offer received by the County. We're only into year two so, that would come into play further down the line if nothing happens there.

Chairman Nazzaro: Thank you Mark and Rich. Like I said it's (*inaudible*) so any questions or comments from the committee?

Legislator Niebel: You mentioned the last RESOLVED, you mentioned under B1, the acreage has changed from 9.92 to the 17.5. Just above that where it says part of tax parcels so now those are the whole tax parcels?

Mr. Giese: Yes. When it was only 9.92 acres it wasn't taken all of the land, all of those parcels. It was only taking part of them, now it's all of those parcels.

Legislator Niebel: Understood, thanks.

Legislator Odell: One additional comment Mr. Chairman. This is actually a triple win for all of us. Mark forgot to mention that part of the reason for this expansion is the IDA. They not only retained but also allowed for the \$87 million dollar expansion that Wells is going to be putting into here and this is part of the support to that. So good job fellows. (*Inaudible*) taxes are a good piece of (*inaudible*) great support to add to that down the road with additional freezer (*inaudible*).

Chairman Nazzaro: Anything else? All those in favor?

Unanimously Carried

Proposed Resolution – Denial of Level 3 Applications for Refunds/Credits of Real Property Taxes Form RP 556 for the 2018 Property Tax

Mr. Button: I can speak to this if you would like. This is just another chapter in the ongoing saga of Level 3 Communications. The most recent action, request for refund they submitted were for County/Town taxes for 2018. So this is the regular process of denying those requests. We did a batch of these a couple of months ago that were the 2018 school taxes, if you recall that.

Chairman Nazzaro: Pretty clear cut.

Mr. Button: Pretty cut and dry. I mean, this information has all been turned over to the outside attorneys who are working with this issue as well.

Legislator Gould: We do this annually.

Chairman Nazzaro: Yes.

Mr. Button: Chuck, I know that there was an amendment to some verbiage here submitted through Admin Services. I think it was on the last RESOLVED.

Chairman Nazzaro: Olivia, do you have that?

Clerk Tampio: Chuck, we do have that in there. It just specified Level 3 before the word in the last RESOLVED, that all of the, then Level 3 inserted, applications.

Chairman Nazzaro: And that's already been changed?

Clerk Tampio: Yes.

Chairman Nazzaro: Any questions or comments from the committee? Like I say, we've done this routine before. All in favor?

Unanimously Carried

Proposed Resolution – Authorize Acceptance of Indigent Legal Services Grant for the Period January 1, 2020 to December 31, 2022

Ms. Contiguglia: (*Inaudible*), we're sharing the same office so there might be some echo at our end. But the resolution is to authorize the funds for distribution 10 which I think takes over the funding that ended for distribution 7. The funding for distribution 7 ended in 12/31/19 and this funding takes over on January 1, 2020 for the amount of \$269,919. This funding will help to maintain our local share. It gives partial funding for an Assistant PD and other

contractual expense along with rent. It does not require any budget amendments as we have put this in our budget for 2021 and it helps to maintain the Public Defender's local share.

Chairman Nazzaro: You're always very thorough, thank you. So the \$269,919, that is for a three year period?

Ms. Contiguglia: That is the total for the three year period. We get approximately \$89,000 a year.

Chairman Nazzaro: Any questions or comments?

Unanimously Carried

Proposed Resolution – Confirming 2021 Salary of Public Defender

Clerk Tampio: I can start the comment if you would like Mr. Chairman.

Chairman Nazzaro: Sure Kathy.

Clerk Tampio: As you all may recall at the 2020 organizational meeting of the Legislature, Mr. Barone was appointed as the Public Defender and his salary for 2020 was established with the supplemental income added in from the ILS grants. The 2021 salary, until we heard or actually receive the funding for the 2021 year from ILS, his salary was set as just his base salary without the supplement. So now that we've received the funding for his salary supplement from OILS, then, I requested assistance from Kathleen Dennison to determine what that amount was. The supplemental amount in total is \$89,973. She also calculated the amount of money of that total amount that is dedicated to his benefits. So in your last RESOLVED it establishes the supplemental amount of \$74,321 in addition to his base salary for the year 2021.

Chairman Nazzaro: Thank you so that's basically one third of the grant?

Clerk Tampio: I'll let – is Kathleen still with us?

Ms. Contiguglia: She had to drop off because we are running some interference but she's right here. I can offer a comment that it is the third year of distribution nine so that's one third of the grant.

Chairman Nazzaro: I just did the math on my calculator so this is one third and as you said, one third each year and then you calculate the fringes and salary separate.

Ms. Contiguglia: Right.

Chairman Nazzaro: And I'm assuming if this grant goes away then this supplement is not available for the Public Defender. This is being funded by OILS, by the grant.

Ms. Contiguglia: Yea, it's entirely funded by OILS.

Chairman Nazzaro: Any comments or questions by the committee?

Unanimously Carried

Proposed Resolution – Amend Capital Project H.6010.31003

Mrs. Dennison: This resolution and it says to augment the capital projects. The capital project was proposed during the capital planning process, the 21' through 26' process. But it could be started earlier and so the original idea – so it was proposed to the Planning Board and it was favorably reviewed because it should say operating expenses in the future. Because the intention is that Health & Human Services would decrease it's footprint in the North County Office building and increase its space utilization in the South County Office building. So they originally proposed the project to start in 2021 because that was the cycle but the intention is to fast track the work and get all the renovations done by the end of 2021 because at the end of 2021, that's with the North County Office building lease expires. So, if we can do all the work in 2021, the lease for the North County Office building can be substantially reduced. So that was the original proposal. The Planning Board felt that it was a good project and like I said, it should save the County money as soon as we renegotiate the North County Office building lease and the intention was that the work could begin in 2020. The Health & Human Services department was supposed to approach Audit & Control and propose an amendment to the project to add money in 2021 and that unfortunately did not happen. So, the resolution is to add \$44,300 in expense to the project so that there is enough money to fully implement this project by the end of 2021. Again, the original intent was to ask for use of the capital reserve for the increase in the project.

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

Legislator Gould: How much is left in the reserve for capital?

Mrs. Dennison: It's about \$1.3 million dollars.

Legislator Gould: Thank you.

Legislator Odell: Quick question. Unless I misunderstood, I'm looking at the 2021 expenditures for (*cross talk*) and if I heard right before, I believe roughly half of that was covered by State and Federal grants to the tune of \$15,155?

Mrs. Dennison: That's correct.

Legislator Odell: Was there any portion of that, were there any State or Federal grant funding also for the 2020 portion? (*Inaudible*) \$44,300 available.

Mrs. Dennison: There is not. That is a good question but the original capital project request from the department, it has outside funding of \$30,500 and that was all included in the 2021 budget so that it expected to (*inaudible*) of the outside funding.

Legislator Odell: That's good clarification. I just didn't want to leave any stone unturned Chuck.

Chairman Nazzaro: I appreciate that Mark. Good question. Any other questions?

Unanimously Carried

Proposed Resolution – Accept Grant Funding from the Chautauqua Region Community Foundation to Update the Chautauqua County Agriculture and Farmland Protection Plan

Mr. Geise: Mr. Chairman, Melissa Keller from the Planning Department is going to talk about it but real quick, I just wanted introduce Rebecca Wurster who's on with us today. She replaced Don McCord. She started a week and a half ago and I just wanted to introduce her to the committee, to the Legislature. We're really fortunate to have someone with her skill set and her planning background to join our County and really excited about the future with the team we built. With that, I just want to thank Rebecca.

Ms. Wurster: Thanks' Mark and I look forward to working with everyone. Happy to be here.

Chairman Nazzaro: Welcome Rebecca.

Legislator Niebel: Dunkirk's loss, the County's gain.

Ms. Keller: As you may know, our department is currently working on an update to the County's Farmland Protection plan that had originally adopted in 2001. This project will focus on updating the plan to reflect the current agricultural environment and to also focus on protecting farmland through an economic lens. For this plan we have been awarded \$80,000 in grant funding. This particular resolution is to accept a \$30,000 grant from the Chautauqua Region Community foundation. This grant was initially awarded to us in 2018 however it was meant to serve as a partial match to our New York State Department of Agriculture and Markets Farmland Protection Planning grant application. Since the Community Foundation grant has a deadline of one year from acceptance, we wanted to wait until we had the Ag & Markets grant in place, and until we were ready to start the project before we officially accepted the grant. Now that we have the pieces in place, we'd like to continue on and officially accept this grant funding.

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

Legislator Odell: Quick comment. Nice presentation once again Melissa. You gave this at Planning & Economic Development committee meeting last night. Because this did come to our committee first, I just wanted to let you know Mr. Chairman, I did make a personal call last Friday to Torry (*inaudible*) at the Community Foundation to thank her very much and the team for helping support this important resolution. Thank you.

Chairman Nazzaro: Thank you and again thank you to the Community Foundation. Any other questions or comments?

Unanimously Carried

Proposed Resolution – Authorize Chautauqua County State Grant Application and Commitment of Matching Funds for County Complex Green Infrastructure Retrofit Project

Mr. McCoy: There is quite a back story here. This grant application is really a result of a collaboration at a (*inaudible*) level. It started out as an engineering study between in the Town of Chautauqua, Village of Mayville. The outcome of that study was a number of projects that were conceptualized seeking the 30% design to support future grant applications and (*inaudible*) program for green infrastructure. Still a collaboration between the County, Planning department, DPF, (*inaudible*) alliance which is managing the grant and (*inaudible*) grant applications. So with that, I'll send it over to Randall and he can give you the details.

Mr. Perry: Brad Bentley is here as well so he can certainly (*inaudible*). I'll give a few (*inaudible*). This would seek a New York State grant application for green infrastructure retrofit to the planned parking lot renovation at the Mayville complex. So this opportunity was really appealing in that it offers a nine to one leveraging of County (*inaudible*) with State money. So if successful, it would take existing funds that Brad plans to put towards the County's parking lot improvements and by incorporating green infrastructure, it would also (*inaudible*) 90% funding from New York State through its Green Innovation grant program. Types of retrofit would be integrated into the current infrastructure would be permeable pavements on two of the three parking lots, (*inaudible*) retention areas in low areas that will promote infiltration of storm water runoff. What it would go basically is every inch of rain that falls on that section of the parking area, generates about 38,000 gallons of runoff that would, rather than rushing into the pipes and ditches, right-of-way and into the lake, largely untreated, it would infiltrate down the below the ground and take a slower and longer flow path to the lake, filtering out things like phosphorus, nitrogen, salt, oil, things like that. So we see that as a real environmental benefit but also makes a lot of economic sense because the project is already planned. This would simply augment existing funds, State dollars, to also incorporate some green infrastructure retrofit. Brad, do you have some other things to add?

Mr. Bentley: Yea, just a little bit of the project history. Obviously this project has been out there for a while as a capital project to replace the pavement and sidewalk infrastructure at the Mayville campus that's deteriorated and is in need of replacement. As you all know that the parking lot was expanded, the main parking lot in front of the GOB a couple of years ago and we had applied for a grant for the other two parking lots that was very similar to this 2 years ago. Unfortunately we did not get that grant so this is kind of a reincarnation of that grant needing other adjustments to it that are appropriate. So, (*inaudible*) dollars that we have remaining in the existing capital project and using also some matching funds from the Alliance in coordination with that. This is a great way to leverage your dollars, make this a showcase project and I'm in full support of this. I think it's a great thing for Chautauqua County so we'd like to take another

bite of the apple and see if we can get this one. I'm hopeful. I think it was a good project before and I think it's a good project now.

Chairman Nazzaro: Thank you Brad, Randy and Dave. I think its great collaboration between all the entities involved and everyone working together and like you said Brad, it's long in coming and the County shall commit a match of just over \$139,000 for the project. Any questions or comments from the committee?

Legislator Odell: Randall, great presentation just like at last night's Planning & Economic Development committee meeting. Mr. Chairman, this looks like a nine to one leveraging opportunity for us, right?

Mr. Perry: Yes, it would be nine to one. One dollar local would leverage nine dollars from the State if accepted.

Legislator Odell: So, I mean that's great and timing is everything. This is a project that we wanted to do anyways, Brad is on board and it would be a good showcase to demonstrate great stewardship for the lake right here at the County level and what better way if we could have done this earlier, we wouldn't have been able to include this in the grant project. So, timing is everything, so glad that we could get this going. Thanks.

Chairman Nazzaro: Any other questions or comments?

Unanimously Carried

Chairman Nazzaro: I don't believe that we have any late resolutions that I know of. We have two items of discussion tonight.

Discussion – Debbie Zahn – Compliance Officer

Discussion - Real Property Tax Foreclosure Planning – Kitty Crow and Todd Button

Other

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

Unanimously Carried (10:24 a.m.)

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