

Office of the Onondaga County Legislature

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DEBORAH L. MATURO
Clerk

DAVID H. KNAPP
Chairman

KATHERINE FRENCH
Deputy Clerk

ENVIRONMENTAL PROTECTION COMMITTEE MINUTES – JULY 10, 2019
CASEY E. JORDAN, CHAIRMAN

MEMBERS PRESENT: Dr. Chase, Mrs. Abbott-Kenan, Mr. Bottrill

MEMBERS ABSENT: Mrs. Tassone

ALSO ATTENDING: Chairman Knapp; *see attached list*

Chairman Jordan called the meeting to order at 8:34 a.m. *A motion was made by Dr. Chase, seconded by Mr. Bottrill, to waive the reading of the proceedings from the previous committee. MOTION CARRIED. A motion was made by Mr. Bottrill, seconded by Mrs. Abbott-Kenan, to approve the minutes of the previous committee meeting. MOTION CARRIED.*

1. **WATER ENVIRONMENT PROTECTION:** Frank Mento, P.E., Commissioner
 - a. **Authorizing the Execution of an Order on Consent Relative to the Settlement of an Enforcement Action Brought by the New York State Department of Environmental Conservation**

Mr. Mento:

- Distributed map, a matter of the Ley Creek force main, shown as lower red line



- December 2017 received Notice of Violation (NOV) from DEC, violation of SPDES permit discharge, force main ruptured 3 times over the past 6-years, fixed each time it ruptured, 60-years old, at end of useful life; worked with DEC and County Law to negotiate a consent order
- Pipe 42" in diameter, runs 2 ¼ miles from the pump station to treatment plant; time for replacement
- Fine could have been \$37,000 per day, thanks to Mr. Yaus and the WEP team negotiated \$5,300 civil penalty, \$30,000 environmental benefit project with \$100,000 fine in suspension pending compliance – confident issues of compliance attached to the order can be met
- Compliance issues are related to analyses, design, and construction of new force main; O'Brien and Gere hired for design, currently under contract, working through the design, expect construction in 2021
- Moving forward will also look at the Liverpool force main (*See pg. 1 – red line, left side of the map*); will combine with this project to kill two birds with one stone
- Looking at asset-based management approach of infrastructure to avoid future issues

In answer to Chairman Jordan, Mr. Mento confirmed that they are proposing to replace everything shown in red in some way. It may not be the same routing or alignment as O'Brien and Gere is looking at this.

In answer to Dr. Chase, Mr. Mento reviewed the map with the committee pointing out the Liverpool and Ley Creek force mains. In answer to Mr. Bottrill, Mr. Mento said that the Ley Creek force main is roughly 2.25 miles and the other is a little over 1 mile.

Mrs. Abbott-Kenan stated that she is happy they were able to negotiate this price. But, she is extremely interested in avoiding this in the first place and asked if there was any idea as to how many other problems are out there. Mr. Mento responded that they are currently in the process of building a database for an asset management approach so that they can catch problems ahead of time - very difficult. Force mains are under pressure, carry a lot of wastewater every day and are prone to rupture especially at their end of useful life, which is where they are at. Both are over 60 years old.

- Good deal, working hand and glove with DEC, just need to and will comply

Mr. Bottrill questioned how much this will cost and where the money will come from. Mr. Mento responded that it is very early in the process, but he estimates the cost will be somewhere between \$10,000,000 and \$15,000,000 for both. Dr. Chase questioned if the DEC was ok with appropriating the funds or did they want this done tomorrow. Mr. Mento responded that the compliance order contains a schedule that the DEC helped to negotiate, and they were complimentary of us hiring the engineer ahead of time and getting on board with them. Mr. Bottrill questioned how this will be funded. Mr. Mento responded that it will be funded partially through their operations and CIP bonding at the appropriate time.

Chairman Jordan stated that it is certainly wise to be proactive. Acting in a reactive fashion is more costly, inconvenient, and runs the risk of being under the gun with another lawsuit.

A motion was made by Dr. Chase, seconded by Mr. Bottrill, to approve this item. Passed unanimously; MOTION CARRIED.

2. METROPOLITAN WATER BOARD: Mary Beth Primo, Deputy County Executive/Physical Services

a. Amending the 2019 County Budget to Make Funding Available to Support a Program of Aid for Community and Economic Development Projects within Onondaga County (Sponsored by Mr. Knapp)

Ms. Primo:

- Resolution proposes the use of water surplus funds for community and economic development projects - \$2.8 million
- Roughly \$1.5 million for funding the Village Main Street program, \$300,000 to support town planning grants, and roughly \$1 million balance to be used for economic development projects
- Currently village main street projects are primarily funded through NYS and CDBG money, also use money from property owners when needed and for ineligible areas; \$1.5 million will help do more robust projects and projects in areas aren't eligible for state or federal funds, i.e. Marcellus and Tully - Mr. Skahen can answer questions particular to that program

- Mr. Kwasnowski met with every town and village to get an idea of where they are at with planning for their community, important as the county plans to build on the plans of the towns and villages for the new County Comprehensive Plan; some towns could use professional help; \$300,000 will be awarded on a competitive basis and will be especially helpful to develop areas outside a village within the town, i.e. hamlets and other main street areas
- \$1 million for economic development support, in general help with workforce development and training, funds would be helpful to incentivize companies to build or grow here

Mr. Bottrill asked if it was fair to say that this is water board money related to water board issues. Ms. Primo responded that it is money that was generated by fees through the Metropolitan Water Board (MWB). In answer to Mr. Bottrill, Ms. Primo responded that she would defer to the Law Department or Mr. Morgan to answer how we are able to use this as a source of funds for these programs. Mr. Morgan responded that the revenue appointed to, we believe, is allowable to be transferred out of the water fund. It is related to what has been called the external customer charges. There are a number of municipalities outside the water district that buy water and continue to buy water from OCWA. In that scenario, the constituents of those towns and villages outside the district don't pay an ad valorem tax like those inside the district for system maintenance and improvement. This external customer charge was put in place years ago for those that participate, as well as those in the district, to maintain the system. That external revenue is not a tax, it is in essence almost like a pilot payment. It was determined in the Law Department that that source of revenue specifically is not restricted to just being used as a water fund, so that is what we are pointing to in moving out of the water fund. Mr. Durr said the funds did not have to be specifically dedicated to water. We talked to the bond counsel in New York and researched this successfully, there is no prohibition on this at all.

Dr. Chase asked who or how the decision for economic development dollars would be made and what would be done with the money before it is spent. Ms. Primo responded that the money would go into a project account. Most things for economic development are done on a confidential basis and there is a need to act quickly. This money would provide the flexibility needed by the Economic Development Office to make decisions. County money such as this has to be used primarily for a public purpose with an incidental purpose for the company itself, i.e. helped Agrana with the cost to move wastewater. These funds could also be used for remediation of brownfields. Many areas have gas stations no longer in use but developers won't touch the properties because of potential environmental problems and the cost to fix them. The county could play a beneficial role by taking control of those properties and doing the initial environmental investigations so that the developer would know the cost of the environmental risks and what the DEC requires.

Mrs. Abbott-Kenan said that she has no problem with flexibility because they have to compete with others. This is forward-thinking and smart. She represents five towns and villages at various levels of planning and to offer professional assistance is awesome as Mr. Kwasnowski only has so much time. She supports this resolution. Dr. Chase stated she also supports this.

Mr. Maturo stated that the resolution places all the funding into a project account for town and village infrastructure. He suggested splitting the amount and putting the \$1,000,000 for economic purposes under the purview of Economic Development. Mr. Morgan responded that this could be done but Economic Development could still manage a piece of it out of that project. Mr. Maturo said that other items could then come out of the funds that are not necessarily town or village infrastructure improvements. Mr. Morgan responded that they could certainly modify the budget language if desired.

Chairman Knapp complimented Mr. Kwasnowski on his roadshow noting that the feedback from towns and villages has been resounding, the bottom-up approach is really good.

Chairman Knapp questioned if this was the \$5 or \$6 fee on his tax bill for water he does not have. Mr. Morgan asked if this was on the town portion of the bill. Chairman Knapp responded that it is a separate line. Mr. Morgan said that the only charge from the county would be for inside the district. Chairman Knapp said he would have to do more research into the other piece of this.

Chair Knapp stated that as far as the program itself, Mrs. Abbott-Kenan and Ms. Primo had a couple of good points. We rely mainly on the state for a lot of this type of thing and it doesn't allow us to react quickly. These are typically long lead times and sometimes you have to have the flexibility to move quickly. He looks at this as found money that is just sitting there which can be utilized for flexibility on warrantied projects. As far as the towns and villages, strategic and comprehensive plans are costly and this will help facilitate that process and get folks involved that know how to do that. It is a good package all around and that is why he sponsored the resolution.

Chairman Jordan asked for the total MWB fund balance. Mr. Morgan responded that he was glad this question was asked. There is a little clarification, the money we are pointing to is actually not money that is in fund balance right now. It is actually in capital projects that ceased to exist once we entered into a lease for OCWA to operate the assets. It is actually not part of the fund balance at this point in time; it is actually excess cash that is sitting in projects that are done or won't be advanced any more due to the agreement with OCWA to operate the system. Chairman Jordan asked if this was the total balance in those accounts. Mr. Morgan responded that this is most of it; there might be a little bit here and there. The \$2.8 million is the majority of what is sitting in the various capital projects that the county used cash to support over a number of years. During budget when Ms. Rosenthal would ask for cash for capital it went into those various projects so this is money that was left over.

Dr. Chase said that it seems like this is about how much money they said was in the fund balance when we merged. Mr. Morgan responded that the fund balance at the end of 2018 was just shy of \$6.2 million. OCWA asked to use \$1.2 million in this year's budget, which we accommodated. Per the contract with OCWA, they are allowed to request the county to use a certain amount of fund balance to balance our budget because OCWA is responsible for paying back the county for any expenses over the ad valorem. OCWA evaluates and we help them with what they will need going into the year's budget cycle and they request a certain amount of use of fund balance. Assuming all \$1.2 million is used this year, it will leave a balance of about \$5 million in fund balance. This money here is separate and distinct from that. Dr. Chase said that at that time she remembers asking about these funds and being told that we could not do anything with them because other expenses would be coming out, therefore, we had to wait for a period of time. Dr. Chase then asked if the remainder could now be used. Mr. Morgan responded that they are not contemplating the use of any of the fund balance. It will be available for OCWA to request use of going forward to help balance our budget - to help them in terms of reimbursing the county or not having to reimburse the county. That \$5 million, assuming that will be what the balance will be at the end of this year, will strictly be left for OCWA to request for use. These funds are excess funds in capital projects that are over and above the fund balance that exists now. Dr. Chase said that the \$5 million will sit there until they have a need. Mr. Morgan responded that already OCWA has asked to use another \$1.2 million for 2020. Assuming this is approved and used, the balance would then be down to \$3.8 million. He believes OCWA's plan, without speaking to them, is to systematically use that fund balance and there hasn't been any push back from the county at this point. The contract is very clear that it is the authority of the executive to support or not the request for use of fund balance. That amount will be drawn down as OCWA requests it and the county approves or doesn't approve it. We as a county won't use any of that.

A motion was made by Mr. Bottrill, seconded by Mrs. Abbott-Kenan, to approve this item. Passed unanimously; MOTION CARRIED. Mrs. Abbott-Kenan said that this is with the change that \$1 million will go into economic development for

clarification.

The meeting adjourned at 9:03 a.m.

Respectfully submitted,



KATHERINE M. FRENCH, Deputy Clerk
Onondaga County Legislature

ATTENDANCE

COMMITTEE: ENVIRONMENTAL PROTECTION

DATE: JULY 10, 2019

| NAME | DEPARTMENT/AGENCY |
|------------------|-----------------------|
| PLEASE PRINT | |
| Nicholas Capozza | OCDWEP |
| Jim Maturo | Compt. |
| Brian Donnelly | CE Office |
| Shannon Hickey | OCDWEP |
| Darcie Lesniak | Leg |
| Scott Butler | Leg |
| Marty Stalen | Community Development |
| Theresa Glazier | Office of Env. |
| Bob Durr | Law |
| Dan Kwasnowski | S OCPA |
| Steve Morgan | Finance |
| Tim Frateschi | Leg |

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**HEALTH COMMITTEE MINUTES - JULY 10, 2019
TIMOTHY T. BURTIS, CHAIRMAN**

MEMBERS PRESENT: Mr. Bottrill, Mrs. Abbott-Kenan, Dr. Chase, Ms. Williams

ALSO ATTENDING: Chairman Knapp, Mr. Jordan; *See attached list*

Chairman Burtis called the meeting to order at 9:35 a.m. ***A motion was made by Mr. Bottrill, seconded by Dr. Chase to waive the reading of the minutes of the previous committee meeting. Passed unanimously; MOTION CARRIED. A motion was made by Ms. Williams, seconded by Dr. Chase to approve the minutes of the previous committee meeting. Passed unanimously; MOTION CARRIED.***

1. **HEALTH DEPARTMENT:** Michelle Mignano, Deputy Commissioner

a. **Create L108042, Public Health Social Worker 1 (PHSW) at Grade 11, \$57,738 - \$63,902**

- No vacant positions; NYS Department of Health provided additional \$100,000 to PrEP grant; important for Governor's move to end HIV/AIDS in NYS; expect this to go on for long time
- Work plan encourages a Behavioral Health Specialist to round out PrEP (Pre-Exposure Prophylaxis) - anyone at risk of HIV can be treated with Truvada, so they do not acquire the disease
- Social Workers in Health Department: 3 in Healthy Families; 1 in Bureau of Disease Control (working on STD grant that cannot be shared); 1 in Lead; this will be a 6th
- Sustainability - anyone in grant funded position is subject to grant approval; completely clear with staff that things can change; do not have funding, then do not have means to do it
- Person will be committed to HIV PrEP program; in work plan with state

- Position is civil service, and there is a list; it has a baseline of requirements; grant funded position (when more than 50% funded) has protocols about whether they take from list; no individuals in mind

Chairman Knapp said he watched a news segment regarding the program, which concentrated on Upstate's emergency room. It said people can get the medication for free there, and that it was the only place to go. Chairman Knapp asked how the County is working with Upstate. Ms. Mignano responded that Director Dr. Reddy is at Upstate and connected to the Upstate program. There is a clientele base that comes through the County, because it is a safe space that is anonymous. Chairman Knapp asked if the County is giving the drug out, and Ms. Mignano said yes. The drug is free and funded from the state, so no one is competing. Chairman Knapp said that Upstate's protocol is that the person who is possibly exposed comes in and is given a cocktail (5-7 day supply). The person comes back to be retested, and would then be given a full month script if necessary. Ms. Mignano stated it is a similar procedure at the County, but this is regarding pre-exposure.

A motion was made by Dr. Chase, seconded by Ms. Williams, to approve this item. Passed unanimously; MOTION CARRIED.

b. Transfer from Health, Account 666500 Contingent Account, to Health, Account 694080 Professional Services, \$43,000

- Move money from contingency for one aerial spray to 408 - want to be prepared to spray Cicero swamp
- No indication of West Nile Virus or EEE in any traps
- Will only spend money on spraying; if need to spray, then ready to go to ensure community safety

**Onondaga County Vector Mosquito Control Program
Weekly Surveillance Update
For Week Ending 7-4-19**

| Year | Mosquitoes Trapped This Week | Mosquitoes Trapped Year to Date | Mosquito Pools Tested This Week | Mosquito Pools Tested Year to Date | Positive Mosquito Test Results Year to Date | | | | |
|------|------------------------------|---------------------------------|---------------------------------|------------------------------------|---|-----|----|-----|-----|
| | | | | | WNV | EEE | CV | JCV | HJV |
| 2011 | 39,603 | 176,267 | 50 | 335 | 0 | 0 | 0 | 0 | 0 |
| 2012 | 6,882 | 78,665 | 50 | 350 | 1 | 0 | 0 | 0 | 0 |
| 2013 | 43,440 | 95,649 | 50 | 284 | 0 | 0 | 0 | 0 | 0 |
| 2014 | 41,042 | 226,404 | 50 | 321 | 0 | 0 | 0 | 0 | 0 |
| 2015 | 47,886 | 188,254 | 60 | 345 | 1 | 1 | 0 | 0 | 0 |
| 2016 | 13,457 | 44,822 | 49 | 175 | 0 | 0 | 0 | 0 | 0 |
| 2017 | 22,998 | 63,116 | 33 | 230 | 0 | 0 | 0 | 0 | 0 |
| 2018 | 38,011 | 70,027 | 55 | 218 | 0 | 0 | 0 | 0 | 0 |
| 2019 | 19,153 | 59,174 | 56 | 221 | 0 | 0 | 0 | 0 | 0 |

Ms. Letteney:

- Mosquitos peek around this time and within next couple weeks; lot of water and potential for mosquitos
- Larva siting in City of Syracuse, as well as Towns of Salina, Cicero, Dewitt and Clay; 800 other breeding sites visit each year; robust program, but hard to predict
- Last year had 6 positives; 2016 and 2017 only 1 positive; 14 and 15 had 30 and 22; can expect to see West Nile and EEE each year, so have to be ready - will spray for EEE, not West Nile

Chairman Burtis stated his residents in Cicero want the spray every year, but it goes against the health community's motto of no harm out of the fear of what spraying does. Mr. Bottrill asked if the Health Department has an opinion on personal spraying of mosquitos. Ms. Mignano nodded no, and she commented that it is a personal choice to do private spraying. The swamp is different because of the potential for disease. Chairman Burtis stated that there was only one company that sprayed for the longest time, but more and more are doing it; along with friends, family and neighbors. Chairman Burtis does not subscribe to that.

Chairman Knapp commented that the town offices in his district give out larvicide. Ms. Letteney remarked that the County had some at one point, but not now. Chairman Knapp explained that the larvicide is put in a small body of water, and it does not allow the mosquitos to multiply. Ms. Letteney stated that it is a good idea and described larvicide as a chemical that prevents mosquitos from breeding; it is very mild.

Chairman Burtis responded to Chairman Knapp that there is only one spray in the budget in contingency. In years past, they have had to come back for a second spray. Ms. Mignano replied to Chairman Knapp that the estimated cost for spraying is between \$43,000 and \$46,000. Chairman Knapp asked about the trucks, and Ms. Letteney answered that they do use the trucks when appropriate. Chairman Burtis commented that if conditions warrant spraying, then the residents are notified via the media and reverse 911 calls, which are very effective.

A motion was made by Ms. Williams, seconded by Mr. Bottrill, to approve this item. Passed unanimously; MOTION CARRIED.

A motion was made by Mrs. Abbott-Kenan, seconded by Ms. Williams, to adjourn the meeting. Passed unanimously; MOTION CARRIED.

The meeting adjourned at 9:56 a.m.

Respectfully submitted,



JAMIE M. McNAMARA, Assistant Clerk

ATTENDANCE

COMMITTEE: Health Committee

DATE: July 10, 2019

| NAME (Please Print) | DEPARTMENT/AGENCY |
|---------------------|-------------------|
| Michelle Mignano | OCHD |
| Lisa Letteney | OCHD |
| Steve Smoel | Fin Ops |
| NICK PARO | LEG |
| SCOTT BUTLER | LEG |
| YVETTE VELASCO | LAW |
| TIM FRATESCHI | LEG |
| | |

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PLANNING & ECONOMIC DEVELOPMENT COMMITTEE MINUTES – JULY 10, 2019 JOHN D. McBRIDE, CHAIRMAN

MEMBERS PRESENT: Mr. Burtis, Mrs. Abbott-Kenan

MEMBERS ABSENT: Mr. Holmquist, Mr. Buckel

ALSO ATTENDING: Chairman Knapp, Mr. Jordan, Dr. Chase, Ms. Cody; *see attached list*

Chairman McBride called the meeting to order at 10:33 a.m. ***A motion was made by Mr. Burtis, seconded by Mrs. Abbott-Kenan, to waive the reading of the proceedings from the previous committee. MOTION CARRIED. A motion was made Mrs. Abbott-Kenan, seconded by Mr. Burtis, to approve the minutes of the previous committee meeting. MOTION CARRIED.***

1. **SYRACUSE ONONDAGA COUNTY PLANNING AGENCY:** Dan Kwasnowski, Director
 - a. **Authorizing the Transfer of Tax Delinquent Properties to the Village of Marcellus for Park Purposes (\$35,000)**

Mr. Kwasnowski:

- Mrs. Abbott-Kenan knows a lot about the future of this project and he knows the history; he lives in the village and was planning board chair for 8 or 9 years
- Property has been a pain in the neck for a long time, became unsafe very quickly; Lower Crown Mill property, 2 large old brick buildings
- The village had hoped to repurpose the property like the Upper Crown Mill which was redeveloped with mixed-use; buildings deteriorated very quickly, kids were getting in and the building started falling apart; the stadium lights from the football field is another problem, there is no opportunity for residential development and very limited commercial development, right on Nine Mile Creek; a park is across the street
- Located in a key part of the village gateway, entrance to school campus on the backside; students came up with the idea for a green gateway park with solar panels that would provide revenue to the village to offset electrical costs of the sewage treatment plant
- Village owns 1.2 acres, the other property is 1.9 acres and the village proposes to purchase that property in October; has a very large tax bill, plus the cost of buildings demolition that the county got stuck with; trying to make this a village amenity
- Price is good; past 2 bids at auction were \$18,000 with the building, people then backed out, the village is offering \$35,000 which is over market value; school is very excited about this

Mrs. Abbott-Kenan said that there is an outdoor STEAM classroom and, in her district, there is a growing opportunity for career and college advancement in terms of looking at ecosystems and water remediation. This is a potentially positive thing with marine ecology as a career focus that she, and the school districts, are interested in, and SUNY ESF is partnering. The outdoor classroom will take samples and study a career path that she thinks this area should be embracing and that colleges are focused on. There is also an accessible pier for fishing on Nine Mile Creek and additional parking is needed there also. There is a history here and the county got sacked with a very large bill but on behalf of the people who live there, this is a great opportunity as this property is not going to sell. Mr. Kwasnowski added that it is right next to the sewage treatment plant as well.

Mrs. Abbott-Kenan said that if you can sell and develop it into something that is always the goal but this is a great use. Mr. Kwasnowski said that it comes down to the market place, and the building being torn down is usually a sign that there is not much potential there. The hopes and dreams the village had for this property were significant.

Chairman McBride asked if Mr. Kwasnowski was going to be involved in the development, and what the schedule would be. Mr. Kwasnowski responded that the students requested access to start cleaning up the site and he responded that the village doesn't own it yet so he could not say yes or no. The village DPW is ready to start bringing in topsoil, cleaning up and developing their portion. They have been working with the DEC on permits and are ready to go. They are working with Mr. Carrick from regional planning on the solar park, which is easy as they have already scoped out the potential and are trying to maximize the site. It is small but if it generates \$10,000 to \$20,000 per year that offsets the cost of the sewage treatment and everyone in the area.

Chairman McBride complimented Mrs. Abbott-Kenan for this project. Mrs. Abbott-Kenan responded by complimenting Mr. Donnelly and stating that it was a great partnership. Chairman McBride said that it was well done.

In answer to Chairman Knapp, Mr. Weber said that the current tax bill balance is \$343,000 but a vast majority of that was for two demolitions and interest. Chairman Knapp said that the county will take the \$35,000 and forgive the rest of bill. Mr. Weber agreed. Chairman McBride said that they are making the best of a bad situation.

A motion was made by Mrs. Abbott-Kenan, seconded by Mr. Burtis, to approve this item. Passed unanimously; MOTION CARRIED.

2. ONONDAGA COUNTY ACCOUNTABILITY & REINVESTMENT CORPORATION: Donald Weber, Real Property Tax Director
a. Authorizing the Transfer of Tax Delinquent Properties to the Onondaga County Accountability & Reinvestment Corporation (Sponsored by Mr. Knapp)

Chairman McBride said that this is an issue we were recently aware of, and asked if he was correct in stating that they would be discussing an LDC. Mr. Weber responded that they would be discussing potentially transferring to the LDC.

Mr. Weber:

- Tax delinquent parcel in the Town of Geddes owes about \$1.1 million in taxes
- Could have tried to auction property last year but did not, had concerns about environmental contamination, Law Dept. confident it is no longer an issue, ready to try and seize the property
- Purpose of putting it in the LDC is to avoid the county being the holder of record, the object is to transfer title as quickly as possible

Chairman McBride asked the benefit of transferring to the LDC. Mr. Morgan responded that normally tax delinquent property is auctioned and there is no control over who purchases it. The LDC can make sure a parcel gets redeveloped responsibly, by looking for a responsible party, instead of sending it to the highest bidder. It also ensures that there is less liability on the county and the property could be taken now instead of waiting. The current owner was damaging or gutting the property, and we wanted to stop that as soon as possible without having the property sit in the county's title.

Chairman McBride asked the responsibility of the county and the legislature in this process. Mr. Weber responded that he thinks the legislature would authorize a transfer to the LDC. The current policy is to auction everything. Whenever we do anything, other than auction, we always come before the legislature for approval; annually transfer properties to the land bank or Community Development with approval.

Chairman McBride asked if there was a way to structure the auction to minimize bad bidders for properties with these issue; don't want to be in the land bank business. Mr. Weber responded that we have the ability to reject bids at the auction; typically don't, can't recall an instance in the 7 years he has been here. We bar people from bidding that have not followed through in the past, and those that owe delinquent taxes cannot bid, but we cannot really steer properties the way the LDC could; don't market properties, just want to get them back into productive use.

Mr. Burtis asked if we were ready to take care of the costs of marketing and selling the parcel. Mr. Weber responded that his understanding is that there is already an interested party ready to purchase; doesn't know that there would be too much of that involved, assuming it closed.

Mr. Burtis said that 56 Industrial Parkway is very different than what he is used to seeing in District Three so he drove over to see the property. This is an industrial area, and the size and condition of the property are unbelievable. It is a very dense area with a lot going on and you can see how somebody would be ready and willing to purchase it. His only question would be how much and would they be concerned with environmental issues; understands that they believe we are set with that but for him, it would still be a concern. He is ready to support this if there is a plan to sell it. If that doesn't work out we are going to have to market and hold it, and he is not interested in holding a lot of properties. We are there to pass it through and sell it; doesn't believe this is a job for the land bank. There has been a lot of discussions lately about the land bank and their inventory, and that mindset carries over to this discussion. This is a large piece of property and he agrees that this is the right way to take care of it; they owe \$1.2 million in taxes and need to get it rolling again. Mrs. Abbott-Kenan stated that she was supportive as well.

Mrs. Abbott-Kenan asked if the legislature agrees to put the property with the LDC and the potential buyer relationship doesn't work out would the property stay there or go to the auction. Mr. Weber responded that he thinks we would want to put the property into the LDC title as soon as possible in order to get it out of the hands of the current owner; want something left to sell later - kind of the point; believes it would stay in the title of the LDC.

Mr. Burtis asked how long it would take to close; want to do this as soon as possible to keep individuals off the property and to keep things from happening. Mr. Weber responded that all the tax work is done from our side. His understanding is that they filed a lawsuit against the county to stop this and that will postpone things; however long it takes for the company to do their own due diligence.

Chairman Knapp:

- Received a call from the county executive regarding this property last month right after committee week, was notified that the asset was actively being taken down - old coal plant with thousands of tons of steel, copper and a lot of very valuable metals; needed to stop this, prepared resolution for session, added to agenda with a waiver
- Held press conference the following week to announce the LDC and that this would be the 1st property; provided desired effect, within a day or 2 received a call from the property owners lawyer, set up a meeting, at the meeting the lawyer said they would get back to us on Monday (July 1) with some kind of settlement offer, on Monday instead of a settlement offer they said they were suing
- Tuesday morning Judge Paris heard the complaint and ruled that the property owner can no longer take down or remove anything from the property and that the county cannot foreclose at this time
- Referred case to Judge Karalunas; apparently, there is a tax search in place or coming involving this; court date is July 31st
- Learned of the court's ruling while in session; Legislator's Rowley, Jordan, and a few others had questions about the LDC, after learning of the court's decision he supported put this through the committee process to make sure everyone is comfortable the reason for the LDC verses some other avenue; everyone can vote on the issue and not on the process
- Very strategic property, the auction would not be appropriate; industrial site with attractive Solvay Electric and railroad spur
- Believes the county executive has a couple of interested parties; Chairman Knapp met with a party on Monday and knows of a couple of others

- Don't think there will be a problem moving this along, however, it is an old power plant with a lot of asbestos and things like that; remediation has to be done correctly and that is another concern
- Wanted to explain why things happened the way they did and why he supported tabling this for a month; wants property owners to know that we are in total agreement – this is the avenue we are going to take if they don't pay their property taxes; the only question is the LDC and its form, not whether we are going to authorize foreclosure
- Wouldn't necessarily have supported tabling if the court had not ruled the way it did; would have been necessary to absolutely get this done in order to stop them from destroying the asset
- Understands there are more specific questions on the LDC; needs to be something we can control but not a liability to the county

Mr. Burtis said that his first goal is to have the company pay their tax bill; thinks reasonable citizens want the \$1.1 million dollar tax bill to be paid, that is what is being asked and what his expectations are. If they refuse, he wants to take control of the property and has no problem supporting this resolution. That is why he went over to see this property with his own eyes and if anything was going on. They owe us a million dollars and should not be looting the property. It gave him great comfort to know that they were obeying. Mrs. Abbott-Kenan stated that she agrees with everything Mr. Burtis said, and finds it totally despicable that a company would do this to our shareholders. Therefore, it is sad that this is the move they are forced to make; absolutely have to support this.

Chairman McBride said that he thinks all are in agreement. There are some questions from legislators who could not be present, which are wrapped around the LDC mechanism; if work needs to be done on the property once owned by the LDC will county workers be involved. Mr. Durr responded that the LDC is a separate entity. Once again, the goal is to keep this property for as short a time as possible. For background, the purpose of the LDC is to keep the county's liability to a bare minimum; to keep us off the deed and not the chain of title so we don't have the liabilities that come with a piece of property. If maintenance or something was required of the LDC, the LDC would contract it out and the cost would come out of the purchase price of the property. There is really not a lot to maintain, the property is fenced in. If cost are related it would be expensed by the LDC and the LDC would take those monies out of whatever proceeds came in and the rest would be given to the county to pay for taxes.

Chairman McBride said that just to follow up on the liability portion, say there is a mishap. Mr. Durr responded that this is why we have an LDC; like ShoppingTown that has an LLC, which is a corporate version of that, and the entire purpose is to limit their liability, and that is the same purpose here. Mr. Jordan asked where the LDC would get the money for repairs or maintenance; they don't have any money right now and to say that the funds will come out of the sale price doesn't make sense. Mr. Durr responded that it would be a reimbursement. Mr. Jordan said that they would need money, to begin with. Mr. Morgan responded that the directors of the LDC would have to go out and secure financing if there were any maintenance or other costs that needed to be expended before the property was sold. Not unlike other LDC's that have been established, the directors of the LDC secure financing to cover those cost, whether it is a bank loan or whatever it might be.

Mr. Jordan questioned their chances of getting a loan with no assets. Mr. Durr responded that they have the property. Mr. Jordan said that the property perhaps has more liability than assets; has asbestos and all these other things. Mr. Burtis assured Mr. Jordan that, as a banker and lender, there are lots of people that would; the question is what are the terms. Somebody will give them terms based on the collateral; the collateral may not be great but the collateral does have a very real value, and most lending is based on the loan compared to value. The better question would be how much would it cost to fix whatever needs to be fixed, and that's an unknown piece at the moment.

Mr. Durr stated that what he thinks they need to focus on is that the purpose of the LDC is to hold this piece of property for the shortest possible period of time. It is not going to redevelop the property or secure financing for hundreds of thousands of dollars; if it secures any financing at all it will be for minimal maintenance during the transfer process. It's not going to start cleaning this property up, and these properties are going to be previously vetted to ensure they are properties with potential; not going to take a piece of garbage that we know we won't make any money on. It will be a vetted piece of property that has potential; whatever financing they need will be minimal and well below the value of the property.

Chairman McBride asked if legislators could see the bylaws and structure of the LDC. Mr. Durr responded that they are not completed, but yes. In answer to Chairman McBride, Mr. Durr said that the county executive would appoint the board and there would be no compensation.

Mr. Burtis said that he hopes the LDC's desire would be for a quick transaction where the sales price is reduced for anything in discussion rather than them fixing or remediating anything. He understands the concerns but this is a large piece of property, in a very dense area, that he believes is very valuable to those people that are there.

Chairman McBride applauded the county executive for taking this initiative. To clean up these properties is a problem, and the county is owed a lot of revenue that is not being captured; we need to do something about it.

A motion was made by Mr. Burtis, seconded by Mrs. Abbott-Kenan, to approve this item. Passed unanimously; MOTION CARRIED.

A motion was made by Mr. Burtis, seconded by Mrs. Abbott-Kenan, to adjourn the meeting at 11:05 a.m. MOTION CARRIED.

Respectfully submitted,



KATHERINE M. FRENCH, Deputy Clerk
Onondaga County Legislature

ATTENDANCE

COMMITTEE: PLANNING & ECONOMIC DEVELOPMENT

DATE: JULY 10, 2019

| NAME | DEPARTMENT/AGENCY |
|-----------------|-------------------|
| PLEASE PRINT | |
| Brian Dannelly | CE Office |
| Don Weber | RAT |
| Deb Cody | Leg. |
| Trevi's Glazier | Office of Env. |
| Bob Durr | Law |
| Mary Beth Primo | Co. Ex. |
| Steve Morgan | Finance |
| Tim Frateschi | Leg |
| Yvette Velasco | Law |

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WAYS & MEANS COMMITTEE MINUTES DEB CODY, CHAIR July 12, 2019

MEMBERS PRESENT: *Mr. Jordan, Mr. Rowley, Mr. Ryan, Mr. May, Mrs. Ervin, Ms. Williams
ALSO PRESENT: Chairman Knapp, see also attached list

Chair Cody called the meeting to order at 9:08 a.m.

A motion was made by Mr. May, seconded by Mr. Ryan, to waive the reading and approve the minutes of the proceedings of the previous committee. MOTION CARRIED.

1. **BOARD OF ELECTIONS:** Michelle Sardo, Dustin Czarny, Commissioners

a. **Amending the 2019 County Budget to Make Funding Available for Expenses in Connection with Early Voting and Elections, and Authorizing the Execution of Agreements (\$1,247,059)**

- Appropriate 3 grant funds – majority to be used for electronic poll book conversion and extended warranty on BMB units – are at end of warrantee
- Conversion to electronic poll books is necessary for early voting – 100% covered by 3 grants: Localities Grant, Capital Grant, SHOEBOX Grant (ongoing)
- Will leave about \$1M in SHOEBOX Grant – will go to replacement of scanner machines in 2022
- Will be able to get through operational costs for electronic poll books for the 2021 election
- Purchase upfront extended warranty and operation of poll books saves about \$28,000 on warranty and 15% savings on poll books
- After 2021 anticipate operation of the poll books licensing to be covered by the SHOEBOX Grant
- Hopes NYS will continue to cover the operational costs of early voting in 2020 and 2021, but it is unknown
- No local funds being used
- Save between \$10,000 - \$30,000 in local funds in printing by going to electronic poll books, and about 1,200 man-hours in putting in voter history after each election
- Hope to eventually be able to reduce the number of inspectors as some larger sites because of working more efficiently

In answer to Chair Cody, Mr. Czarny said that KNOWiNK was selected as the vendor. Most counties and NYC are going with KNOWiNK. They are the largest and the most competitive price wise. Ms. Sardo said that they have more to offer. Mr. Czarny said it will revolutionize the voter experience, candidates and campaigns – will know that night how many affidavit ballots are reported; will know within a couple of days of everyone who had voted. Chair Cody asked if the grant covers training; Ms. Sardo confirmed that it does. Mr. Czarny said it starts in two weeks. It is being purchased off of the OGS contract, which won't be approved until Aug. 2nd. KNOWiNK has agreed to come in early to start training process.

Ms. Sardo said that they will be at the NYS Fair in the Women's Building. Mr. Czarny said they will have a fact ballot – people can use it to get used to signing into the poll book, etc. It will also be on display in the BOE office, and in discussions with Town of Salina, having a referendum on Aug. 15th, to use the new poll books and on-demand ballot. It will save them money and allow BOE to break in equipment.

Mr. Rowley asked for some details on the SHOEBOX grant. Mr. Czarny said that the award started in 2007, funds added annually. It can only be used for capital equipment for voting machines. Used to buy original fleet of machines and extended maintenance on them. It has also been used for Sage Smith reporting software (maps), ICC machines, and Clear Ballot. The grant has been renewed annually. In 2013 a decision was made to save a lot of that money for conversion to electronic poll books.

Mr. Rowley said that this project is being funding through some old HAVA money, SHOEBOX and the two new grants. Mr. Czarny said that HAVA can only be used for training. Mr. Rowley said that going forward there is no solid plan to replace the equipment, renew licenses or warranties until we get there. There isn't a guarantee that there will be SHOEBOX money. Ms. Sardo agreed and added that there will be SHOEBOX money until it is used for new voting machines. Mr. Czarny said that they will still have \$1million of SHOEBOX for replacing of the new voting machines, but do not know if the federal government will put more money in. Ms. Sardo said that the other two grants have to be spent this year.

Mr. Rowley questioned \$179K for wireless hotspots noted on detail sheet. Mr. Czarny said that they are so the electronic poll books can talk back to the office – get real data in real time. They can find out how many people are voting at each polling site, get an idea of voter turnout, and have a better idea of extra ballots that may need to be printed. It will save money in the long run – won't have to print so many ballots in anticipation; it can be adjusted throughout the day. Mr. Rowley asked how this will affect the election while people are voting if this goes down. Ms. Sardo said that it won't affect it – everything is hard driven. Mr. Czarny said that the poll books are basically like bricks – if the wireless goes off, the voting registration data is loaded onto the hard drive. It still operates, has an 8-hour power life – have back up batteries that they can take there. Back up poll books will be ready, and also a poll book can be printed within 20 minutes and get it out to a poll site, if needed.

Mr. Rowley referred to the 279 batteries listed on the informational sheet, and asked what the shelf life is for them. Ms. Sardo said 10 years. Mr. Czarny said that they are the batteries for the fleet of voting machines. They are about 10 years old and need to be replaced.

Chairman Knapp said that in the past couple of months there has been a lot of transfers with BOE and noted that the supply line is basically at \$0 and it's July. He asked if some of this money can be used to reimburse ourselves, and if so how much. Mr. Czarny said that they can't reimburse for supplies from any of these grants, but will be able use the grants for inspector costs, operation for early voting – covered in Localities grant fully for 2019. He explained that the supplies line is at \$0, but they have bought all of their supplies anticipated for the year. They do not anticipate another transfer being needed. By buying in bulk at the beginning of the year, they were able to save money. They don't anticipate another transfer for 2019. Chairman Knapp noted that that there is an approximately \$20,000 deficit in one line. Mr. Maturo asked Mr. Czarny if he just recently transferred money to the supplies line within the last week. Both Ms. Sardo and Mr. Czarny replied “no”. Mr. Maturo explained that BOE is short right now – they have an invoice out there in the supply line that the fiscal officer sent down and couldn't get it to post -- it's because there isn't any money. Mr. Maturo said that he is aware of invoices that BOE has for the supply lines that can't be paid because there is no money. Mr. Czarny said he will look into that – supplies have nothing to do with these grants. Mr. Maturo said he doesn't believe a transfer was made this year into the supplies line; transfers have been made into another line.

Chairman Knapp said that the message is that we really need to make sure the house is in order because right now you can't buy paperclips. He said “we need you to get a handle on this to make sure we are comfortable with everything.” There have issues before on how things were purchased system wide; “just to give us a good sense that we have our arms wrapped around everything – you and us.” Mr. Czarny said “that by converting the poll books we will spend less anticipated money on printing the poll books. That could result in money that we could move around from other areas.”

Mr. Beadnell said that his office is in the process of conducting an audit as well and should have some recommendations throughout the course of this year -- hopefully within the next month or so. Mr. Czarny said that they have been in analysis with the budget office, notwithstanding that one invoice, they did an internal transfer that is supposed to cover all anticipated costs. They don't anticipate asking for anything over the budget that they have now. He said that they work closely with the budget office to make sure they are doing invoices the right way, appropriating them the right way for the entire year. Mr. Morgan said that some expenses were identified, and they will be able to be transferred to some of their grants, to alleviate the pressure on their operating budget. Mr. Czarny said that part of this appropriation is taking care of some of those expenses – A Rifkin, Intab (perforation of ballots), and server installation.

Mr. May said that outreach is great idea – it is really important that it incorporates full representation from any outreach remotely related to the context of BOE's duties or BOE's work day, including legal representation at all times – to avoid any problems.

A motion was made by Mrs. Ervin, seconded by Ms. Williams, to approve this item. Passed unanimously; MOTION CARRIED.

Mr. Czarny noted that on July 24th at noon, they will be having a demonstration of the equipment. **Mr. Rowley asked that an email be sent to members.**

2. LEGISLATURE: Deborah Maturo, Clerk
a. Standard Work Day and Reporting Resolution

- This is the next round of NYS Standard Workday and Reporting compliance

A motion was made by Mr. May, seconded by Mr. Rowley, to approve this item. Passed unanimously; MOTION CARRIED.

3. BOARD OF ETHICS: Brian Donnelly, Deputy County Executive
a. Confirming Appointment to the Onondaga County Board of Ethics (George Dooher, Jr.)

- Long time county employee – worked in DSS
- Knows him personally – thinks very highly of him

A motion was made by Mr. Rowley, seconded by Mr. May, to approve this item. Passed unanimously; MOTION CARRIED.

4. COMMUNITY SERVICES ADVISORY BOARD: Brian Donnelly, Deputy County Executive
a. Confirming Appointment to the Community Services Advisory Board (Michael Raab)

Mr. May asked to be listed as a co-sponsor.

A motion was made by Mr. May, seconded by Mr. Rowley, to approve this item. Passed unanimously; MOTION CARRIED.

5. TRANSPORTATION: Marty Voss, Commissioner

a. Approving the Design (Scoping I-VI) and Construction Phases of the Pedestrian Crossing Improvements Safety Project, PIN 30PS02, Agreeing to Participate and Pay Up to 100 Percent of the Non-Federal Share of the Project and Accepting the Pedestrian Improvements

- Allows entering into a contract with NYS for a pedestrian safety projects
- Was part of a statewide solicitation through metropolitan planning organizations
- Through the federal aid process – awarded a grant to cover 4 intersection for pedestrian accommodations:
 - Morgan Rd. at Steelway Blvd. North, Clay
 - Caughdenoy Rd. at Lawton Rd., Clay
 - East Molloy at Kinne Rd, Dewitt
 - Morgan Rd. at Liverpool bypass, Clay
- 100% federal dollars, administered by NYS, NYS is doing design subject to county approval; NYS will handle awarding of contracts and implementation of construction work

Mr. Rowley asked what will be done. Mr. Rauber said crosswalks, count down timers, stripings; these are areas that have no ADA facilities whatsoever. Mr. Rowley said that usually it is an 80/20 split, and asked why this is not. Mr. Voss said that it's just the way the program came out.

A motion was made by Mr. Rowley, seconded by Mr. Jordan, to approve this item. Passed unanimously; motion carried.

6. HEALTH DEPARTMENT: Dr. Indu Gupta, Commissioner

a. Create L108042, Public Health Social Worker 1 (PHSW) at Grade 11, \$57,738 - \$63,902

- Fortunate to receive more and more grant funding – part is because of significant STD infections in our community
- PrEP grant (pre-exposure prophylaxis) – in going through routine extensions they asked to have the worked changed at a high level
- Have asked for much more support for individuals who come to the clinic looking for prophylaxis for HIV preventative measure, as they can have a lot of social and emotional issues
- Do not have any staff at this point that can provide that support
- PrEP has been proven throughout the world, CDC and NYS Division of Health accepted
- 100% grant funded

Mr. Rowley said that the position will be created in the grant fund, and typically when the grant funding isn't there the positions don't get filled. Dr. Gupta agreed and said that it is made very clear when they do hiring. She said that a lot of times these positions are like a pilot, and once the community takes up that similar type of work, then they can be phased out, and that's the roll of public health departments.

Mr. May said that the standard process includes additional the language in the resolution that shows that the grant is supporting the position.

Mr. May made a motion to amend the resolution to add language that the position is conditioned upon grant funded, seconded by Mr. Rowley. Passed unanimously; motion carried.

A motion was made to approve the resolution as amended, seconded by Mr. Rowley. Passed unanimously; MOTION CARRIED.

b. Transfer from Health Acct. 666500 Contingent Acct., to Health, Acct. 694080 Prof. Svcs., \$43,000

- Mosquito seasons – numbers are still not high, but are going up
- Continue to monitor and weekly post numbers on website
- Once per week mosquito pool goes to Wadsworth – NYS lab – looks for infection for West Nile and EEE
- Criteria's for spraying:
 - Rapid rise in numbers
 - Mosquito pool positive for EEE or in a particular the area where
 - Do no harm - these are chemicals, relatively safe
 - If it happens in the next couple of months, with more rain, and warm/cold – different weather patterns – can make decisions much faster
 - Work under the guidance of NYS Dept. of Health, and the NYS Health Commissioner has to officially approve emergency declaration

Chair Cody said even if there is no EEE, but the numbers are high, it is criteria for spraying. Dr. Gupta agreed and said that they look at the pattern, if they see a spike pretty fast, it means they need to control the number of mosquitos. If one mosquito or two mosquitos gets infected, they can breed and it can explode. They have to be very good at keeping an eye on it.

In answer to Mr. Jordan about a spike in population regardless of EEE found, Dr. Gupta said that sometimes a decision can be made to spray if there is an unusually high number of mosquitos. There still would be deliberation with the State DOH. Whenever spraying, you are making the decision of "are we doing the right thing – want to err on the side of protecting people, so the balance has to be there.

Chair Cody asked if more people are now spraying their own properties. Dr. Gupta said not in commercial ways. When people go out they protect themselves with bug sprays and mosquito sprays. There is a lot of information on the website, which are considered EPA safe. A very important part of the prevention message is to take all precautions. One can spray, but it's not a guarantee.

Mr. May asked if this transfer will exhaust the account. Dr. Gupta said they did not budget for it; it was left out because it is dependent on the mosquito count. Mr. Morgan said that there was money for one spraying in the budget; the legislature added it in contingency. In answer to Chairman Knapp, it was confirmed that there was money for one spray. Dr. Gupta said that if they need more, they will come to the legislature.

A motion was made by Mr. Jordan, seconded by Mrs. Ervin, to approve this item. Passed unanimously; MOTION CARRIED.

7. WATER ENVIRONMENT PROTECTION: Frank Mento, Commissioner

a. Authorizing the Execution of an Order on Consent Relative to the Settlement of an Enforcement Action Brought by the New York State Department of Environmental Conservation

- An order on consent from the DEC for the Ley Creek Force Main – one of the critical pieces of conveyance on the northeastern suburbs
- Picks up at Ley Creek Pump Station, goes behind Terminal Rd., ends up under Rt. 81, goes behind DestiNY and in to the plant
- Significant piece of infrastructure – at the end of its useful life, 60+ years
- Ruptured 3 – 4 times in the last 6 years; time to really invest and pay for it
- Fines for DEC could have been significant – able to negotiate them down with a compliant schedule, with consultant, to get the work done
- Will do Liverpool Force Main at the same time as this work

Chair Cody said that fine is considerably lower than it could have been. Mr. Mento said that it is \$5,300 in civil penalty; \$30,000 in an environmental benefit project, and \$100,000 suspending, pending our compliance.

In answer to Mr. Rowley, Mr. Mento said that that it is in design right now, looking at alternatives for both force mains. They run along portions of CSX, over the Inner Harbor – has to be a lot of alternative analysis. Construction will probably start in 2021.

A motion was made by Mr. Jordan, seconded by Mr. May, to approve this item. Passed unanimously; MOTION CARRIED.

*Mr. Jordan left the meeting.

8. SYRACUSE ONONDAGA COUNTY PLANNING AGENCY: Dan Kwasnowski, Director

a. Authorizing the Transfer of Tax Delinquent Properties to the Village of Marcellus for Park Purposes (\$35,000)

- Legislator Abbott-Keenan has been working with the Village of Marcellus and the school on this
- Village of Marcellus offering to purchase a delinquent tax property for \$35,000, borders Nine Mile Creek on Rt. 174
- Concept came from the high school – student projects – looked at converting the lower Crown Mill into a solar park – for an outdoor classroom
- Install a small, but significant, solar field and Village would utilize the energy generated to offset the cost of the sewage treatment facility – across the creek
- Property has long history – tax delinquent; building deteriorated rather quickly, kids getting into buildings and were deemed unsafe
- Owner tried to remove buildings himself, which didn't go very well – 4-5 stories brick buildings, significant chimney
- Went through normal process – includes county getting stuck with a very large demolition bill
- Buildings went to auction twice – bids were around \$18,000 and both were withdrawn
- Value of property is estimated at about \$31,000
- Create a 3.1 acre park and improve grounds, work along the creek – working the DEC and ESF education program; ongoing program for students to work on

Chair Cody stated that it is great that this is student-driven.

Mr. May said that area is good fishing spot. Mr. Kwasnowski said that they want to do a handicapped accessibility fishing spot as well. Between the creek and the school has been lost, and it would be nice to have public and ADA access to get in from Rt. 174. People can't get to it anymore because of the treatment plant. Mr. Kwasnowski said that part of it is private property, pending this sale it would become public. They would like to do a bridge, but it is expensive; may be able to get some DEC funds for a fishing platform.

Mr. Glazier said that that there are NRD projects in the vicinity. Mr. Kwasnowski said that is the next property down--the paper mill. It was shut down through a series of events – it was pollution related. It is for sale, not delinquent. Mr. Glazier said that the procurement of the property and the establishment of a fishing access point is one of the NRD consent decree items that we signed on for with Honeywell. It may not be in the 2019 schedule, but will be in the next few years.

A motion was made by Mrs. Ervin to approve this resolution.

Mr. Rowley asked when the buildings came down. Mr. Kwasnowski said 5 years ago. Mr. Rowley questioned it being a county expense. Mr. Kwasnowski said that the way the Unsafe Structures Law works in New York State is that every town and village has an unsafe structures law, and they can order it come down. They pay it, but the county makes them whole. Mr. Morgan said that it is put on the tax bill.

Mr. Rowley questioned how this works legally. He questioned if the county has to foreclose on the property before we transfer it. Mr. Weber said that the county has not foreclosed on it. Mr. Rowley said that the county takes it because we have the lien on it, then foreclose, and then transfer. Mr. Weber agreed. Mr. Rowley said that once we foreclose, it officially becomes exempt. Mr. Weber said that it will as of the next taxable status date – next March 1st.

Mr. Rowley asked what happens if county didn't transfer it to the village and kept it as a foreclosed property. Mr. Weber said that all delinquent taxes would be wiped out; any current year village or school bill would be the responsibility of the foreclosing. The tax bill total is approximately \$1,400/year. Mr. Rowley said that the county could foreclose on the property and just hold it, if we wanted to. Mr. Morgan said "no, we don't do that." Mr. Rowley clarified that he is asking if we can do that. Mr. Morgan said that the county is not structured to do that at all – do not have the resources or the processes in place. He added "we are not a land bank." Mr. Rowley said that he is curious if it can be done – there is another property to be discussed on the agenda authorizing a transfer. Part of the big benefit of transferring into an LDC is to stop the bleeding on the taxes. He said that his question is "why can't we foreclose on properties on a regular basis and stop the bleeding." Mr. Weber said that we do, but don't want to hold title. Even in the annual tax auction, when the county forecloses on a property, title is not taken the day of the auction. We wait; prepare all of the closing documents from properties of the auction. The documents that are filed, taking the property from a delinquent owner and giving it to the new owner, are filed at the same time so that there is a change in titles for one second. He said "we don't want the liability of owning property at all."

Ms. Williams seconded the motion. AYES: 5; NOES: 0; ABSTENTIONS: 1 (Rowley); MOTION CARRIED.

9. METROPOLITAN WATER BOARD: Mary Beth Primo, Deputy County Executive/Physical Services

a. Amending the 2019 County Budget to Make Funding Available to Support a Program of Aid for Community and Economic Development Projects within Onondaga County (Sponsored by Mr. Knapp)

- Transfer money from MWB to a project account that would be available for community development and economic development needs in the county
- \$1.5 million Community Development – set up a more robust Main Street Program -
- \$300,000 Town Planning grants
 - Villages basically have projects ready to go; towns don't – this would be helpful for towns to have an opportunity to bring in professional support to create a plan for hamlets or other areas outside of the villages
 - Once plans are in place, they can use them to leverage large grants for design and build
- \$1 million for economic development – would be used dependent on requests and needs provided to the Economic Development office; for example it could be used for:
 - Workforce training
 - Brownfield remediation
 - Districts have properties big and small that have been vacant – scares off developers because they don't know what is under the ground; county could use some of this money in conjunction with OCIDA to do some of the initial investigation and provide that information to developers
 - Entice a business to move here
 - Help a company that is already here if interested in expanding
 - Wastewater needs or signalization along the road way
 - Money to be used in a legal way – can't gift it to a company

Mr. May said that the Environmental Protection Committee did a really nice job in vetting this out. He said that he hasn't seen the plan for determining projects. Ms. Primo said that the town and the village money would be on a competitive basis, administered by the Community Development Department. In answer to Mr. May, Mr. Skahen said that it would be similar to the Main Street Program; would use this funding to leverage CDBG funds. That money would be combined with this money and put out a competitive RFP. Mr. Skahen said it would not be part of the Steering Committee's process; it would be just administered by Community Development.

Mr. May asked if that would work the same way for the town planning projects. Ms. Primo said that they would be run through SOCPA. She noted that Mr. Kwasnowski has been working very closely with the villages and towns and has a good understanding of their needs. He recognizes a need for towns to develop some plans. Their best way to award the money for town planning needs would be through the staff at SOCPA.

Mr. May said that he would like to see a little bit more structure for the \$1.8 million – the process for doing it, distributing the money and how it will be done. He supports it, but wishes it was a lot better defined; legislators have to go back to their communities/municipalities and explain how it's going to work, and that's the part of this that is a little bit undefined.

Ms. Williams said there has been talk about the towns and villages, and asked if projects within the city can apply. Ms. Primo said that this wouldn't be for the city – it is strictly villages. Mrs. Ervin said that the economic development piece could be for city projects. Ms. Primo agreed. Ms. Williams asked if there were a project in her district, could they apply for the economic part of this. Mr. Primo said "yes."

Mrs. Ervin asked who has the \$1 million for economic development. Ms. Primo said that it will be in the Office of Economic Development. She said there is a need in Economic Development to have flexible funding. So much of what they do, when dealing with companies, is confidential initially. There is a need to react very quickly. Economic development money is awarded now primarily through the Economic Development office. Ms. Williams asked if the process changes. Ms. Primo said that the Economic Development Office works with a company, on the initiatives and programs, and make the decision on how that money would be used. She confirmed that the process isn't going to change.

Ms. Primo said that there are more restrictions on this money in using it for a company. There aren't as many uses. The way it would benefit private companies would be in a way that had a larger public benefit. OCIDA money and other money like that can be used a little bit differently. This money wouldn't really go directly to a company; it would go to a need – primarily a public need, but would also benefit that particular company. For example, wastewater, roads, etc.-- may be very helpful to a company coming here because if we don't help out they are still going to invest that money.

Ms. Williams said that there is property, a former gas station, in her district – they are looking to do something with it. This company could leverage some of that money. Ms. Primo said that she doesn't know exactly how that would work. She explained, as an example, that often times there is property that is tax delinquent--perhaps the county takes it back or OCIDA takes it, and there has to be environmental investigation done before it would be marketable. The county could pay for the environmental investigation, and in the time that it does that maybe the county or OCIDA are holding title to it. A lot of times the developer just needs to know what is there, and gage if it makes investment sense.

Mr. Rowley referred to the allocations and noted that we are already giving villages \$4.5 million through the grant program and questioned why the administration thought another \$1.3 million was needed for villages. No answer was received.

Mr. May said that there is an opportunity to clarify – that is the Village Improvement Program; this is Main Street – there is a specific purpose being added. Chairman Knapp said that this will be competitive; the \$4.5 million is distributed based on assessed value.

Mr. Ryan said that whether it is VIP or Main Street, there are still projects that can be done with taxpayers' dollars to the villages. Ms. Primo agreed. Mr. Ryan said that towns and villages are competing for Main Street. Ms. Primo said "no, Main Street would be in the villages" - \$1.5 million for facades and things like that. The county executive would love to see that the towns develop plans to be able to garner that kind of money to do things to develop a hamlet or town center. Often times towns don't have a plan for projects like that. Mr. Ryan said that villages don't either, but we incentivize them to do that. He said that when the legislature was doing sales tax distribution, he motioned to table it because he felt that the villages made out much better than the towns did in the sales tax allocation that was done 10 years ago. He voiced his concern again, when round two was done. Ms. Primo suggested that Mr. Kwasnowski explain. Mr. Ryan referenced an example of when he was on the town board, where there were studies upon studies, and at the end of the day the plans were put on a shelf. He said that there has to be an understanding that the towns are willing to do the projects.

Mr. Kwasnowski said that he met with every town and village except Otisco in the Spring. He spoke to them about the emerging county-wide plan. He talked to them about developing planning projects that they need that SOCPA could assist with – scope or actually doing a small plan for them. He has a list of 10 – 20 projects from towns throughout the county. Not all of them would use this money, because there is other grant money they can use, but this would be used to leverage other funds to do the plan. He noted that the Town of Spafford would like to really look at the hamlet of Borodino – they feel there is potential. Mr. Ryan asked why they can't do all the projects

that they want to. Mr. Kwasnowski said it is usually money or impetus – they need a reason. He also gave the example of Great Northern Mall, Clay – how can it be re-used. They don't have to be huge plans – just lay the ground work. He also referenced Cicero – Route 31/Route 11 trying to create a town center – there are transportation issues. They can probably get grant money, but if there is a little bit of a plan that lays the ground work in the community, it goes a long way. His idea is to take the money and grow it. He noted that the Empire State Trail funding that was done late last year already has been matched twice.

Mr. Ryan said that we have been incentivizing villages for 8 year; we are going to incentivize them for another 10 years. He noted that Mr. Kwasnowski has met with all the towns, and there are projects but not enough money. He asked if there is enough money that maybe some of it could be diverted to the towns. Mr. Skahen said that \$1.5 million is going to go to facade type of work to improve village business districts – a small and targeted. It would be awarded the same as the state does it – based on leverage of impact. If a village wants to propose a project, whoever can take a portion of the money and have the biggest impact on leveraging business owner money and whatever the village wants to put in, would have a better chance of getting the funds to improve their village.

Mr. Ryan said that a lot of facade work was done in the Village of Solvay, it turned out really great - keep giving more to villages – need to be more parity. Mr. Kwasnowski said that a lot of towns recognize that their villages are where their centers are. He referenced 3 villages in Manlius and they recognized where their economic engines are.

Mr. May said that the VIP is an incentive, but it also filling in a massive gap created in the sales tax formula. It's almost like you have to separate the two in the thought process.

Mrs. Ervin asked how the amounts were determined for the villages and towns. Ms. Primo said it was thought to be a good division of what is needed. They did not add up what was going to be done in the villages or towns, because it is not known. Villages and towns will be applying for funds. Based on putting together a plan, it a lot less expensive than putting a facade on buildings, so more is need in the Village Main Street Program. In villages the plan is there because the buildings are there. Because of sprawl, because of different things, there is not a clear vision on what can be done to develop certain areas. A plan is needed to make sense of some things that didn't make sense – different developers were buying different patches of land and doing different things. The towns right now aren't in a position to really compete in any kind of meaningful way for money to do projects.

Mr. Kwasnowski said that he has been working with the Town of Skaneateles on the Mottville corridor – looking at an area where they can appease some of the development demand outside of the Skaneateles Lake watershed. There are two hamlets, Welch Allyn, Tessy Plastics and other things trying to take these nodes/hamlets, develop them with maybe affordable housing, apartment or workforce housing in addition to the housing they are getting to support the employers that are there and have a nice natural progression through the Skaneateles Creek valley. It takes a lot of ground work, even to just extend the trail is very controversial. You have to lay the ground work and create the vision for people to buy into.

Mr. Ryan said that in the last sales tax distribution over the 10-year period, how much was given in totality to the villages. Mr. Morgan said that it was \$4 million per year until a couple of years ago when it was bumped up to \$4.5 million. In answer to Mr. Ryan, Mr. Morgan said it that it was \$4 million for probably 7 years, then it was \$4.5 million; it will increase to \$5.2 million next year for perpetuity.

Mr. Kwasnowski said that SOCPA's role will be to develop the scope; in most cases the towns/villages will hire a consultant. There is only so much that SOCPA can take on.

Mr. Ryan said that it is over \$90 million in sales tax distribution. There is a plan for infrastructure for the towns, but is not sure how much that is going to be. Giving the villages \$90 million, then giving them extra, without giving back to the towns, or a little bit more for economic development or workforce training – a different spread of the \$2.8 million. It's a lot of money, and we really haven't done a lot of the towns and could do more for the city.

Mr. Rowley said that the \$2.8 million in fund balance was generated by charging people in the district a water rate. Mr. Morgan said that is not fund balance at this point in time – it will eventually drop to fund balance. Currently the balance is in capital projects – over the years cash capital was appropriated in the budget. There are projects sitting out there with excess balance that will never be used. Mr. Rowley said that they were projects targeted for the Water Board. Mr. Morgan said they were projects created in the water fund. Mr. Rowley said that the fund balance was created by charging rates to the rate payers in the district. He asked "How can we legally take this fund balance now and put it into the general fund to do the things we are talking about?" Mr. Morgan said that there are multiple revenue sources aside from water sales. There is ad valorem, roughly \$1.6 million, which is actually charged to the district, and there is water sales. Mr. Rowley said that a good chunk of this was funded by charging people in the district a water rate. Mr. Morgan said "a water rate and also ad valorem". He said that outside of the district there were towns and villages and other municipalities buying water. As part of that the county required external customer charges. These towns and villages, along with paying for water, was identified and recognized that they weren't participating in the cost or maintaining the system. The external customer charge was born and applied like a tax, but it is not a tax – it is a contractual agreement. It is revenue that can be used outside of the district; it was created outside of the district.

Mr. Rowley asked if it is known that this revenue stream is \$2.8 million. Mr. Morgan said that numbers were ran going back 12 – 13 years, and it is \$2.8 million plus.

Mr. Rowley asked if our attorney's feel that this is legal. Mr. Durr said "yes". Mr. Durr said that it is legal; it has been vetted a lot; it is a unique situation, and have talked to the bond attorney's in New York City extensively. He said that they have been assured that there is no prohibition against this and there is no specific case law on this. Mr. Durr said "it is a unique position, but it's legal."

Mr. Rowley said that accountants and lawyers don't always agree, and is wondering if our outside auditors have weighed in on this; has it been brought to their attention, and has there been discussion with the NYS Comptroller. Mr. Maturo said that they have been in discussion with the outside auditors. He said that both the Comptroller's office and Bonadio are looking for a written legal opinion from the County Law Department so his office has something to hang its hat on. Mr. Maturo said that there has not been outreach to the NYS Comptroller's office. Mr. Rowley asked if that could be done. Mr. Maturo said that they can, but is not sure how quickly they can get a turn around on it. Mr. Durr said that the problem is that this is a very unique situation and the state Comptroller does not have the precedent to go out and look at this. It will probably take them quite a bit of time to do it. He said that he is relying on extensive talks with bond counsel, their own research, and the lack of any legislature that denies this – it doesn't exist.

Mr. Rowley requested the Comptroller's office to reach out to the State Comptroller and ask them for an opinion on this. He said that he understands that it might be precedent setting, but it doesn't hurt to get an opinion even if it's after the fact.

Mr. Maturo explained that this money will be coming into the water fund when the projects are closed out. In essence it is coming out and will go right back in when they close the capital projects associated with this – it will be going into the water fund. Mr. May asked for clarification. Mr. Maturo said that when projects are closed, if there is debt out there, and there is remaining balances, it has to be for reserve for bonded debt. If there is no debt, it goes back to the sponsor of the fund. If it is general fund related, it goes back to general fund. In this case, these are projects that are going to be closed out in MWB capital fund, so they will have to come back to the water fund. That is why this is being appropriated out of the water fund balance.

Mr. Rowley asked how much debt is there attributable to the Water Board outstanding. Mr. Maturo said it is about \$31 million. Mr. Rowley asked if this should be used to offset that debt. Mr. Morgan said that is what the ad valorem is for – ad valorem charged in the district is specifically to offset debt service costs. They are cash balances – not borrowed.

Mr. Rowley said that OCWA runs the Water Board operations now; the county doesn't have employees running the water board. Chairman Knapp said that there is still a board. Mr. Rowley asked if the board has to act on this. Mr. Durr said that they do not; they will send a letter of recognition.

Mrs. Ervin said that she doesn't have a handle on how the \$1 million going to Economic Development is going to work. Ms. Primo said that the staff of Economic Development will be approached by a company, some group or initiative--whether it is OCC, CenterState, CNY Works, a development, or Mr. Glazier recognizing a brown field. They will have all these tools to use – OCIDA, OCDC, and now a new tool – a new source of funds that could be helpful. Mrs. Ervin asked how someone will know about access to these funds. Ms. Primo said that it will be more organic; it will be there just like OCIDA has money to use. If you want to do a project here and need help, you go to the Economic Development office. It will not be separately advertised or marketed. Mrs. Ervin asked if it will just be sitting there. Ms. Primo said that it won't be because they are talking to people all of the time and may have ideas right now on how to use it. They are being approached all the time. She said that basically it is money for purposes they are already providing money for, but maybe don't have as much money. This is just an additional source of money, but it will be used in the normal course of business. People in and out of the county that want to do business understand that the county has an Economic Development office and that's where they can go. She said that they will also talk to the peers, or an idea could be generated from the legislature or the county executive.

Mr. May said that in years' past the legislature has earmarked money within the fund balance for economic development purposes – it was used here and there along the way. Chair Cody said that it would be to explore some more possibilities, and something attractive to a company. Ms. Primo agreed.

Mr. Maturo said that there are two pots of money here – town and village infrastructure under the purview of Community Development, and \$1 million Economic Development fund under the purview of Economic Development. They are lumped both into the Community Development projects fund, and they really should be split out on this resolution so that \$1 million can be tracked in Economic Development, as well as what is spent out of the town and village infrastructure.

Mr. May made a motion to amend the resolution to add three RESOLVED clauses as follows:

RESOLVED, that \$1 million will be managed and administered by the Office of Economic Development for the pursuit of initiatives to benefit the local economy; and, be it further

RESOLVED, that \$300,000 will be managed and administered by SOCPA for the planning of town center type projects; and, be it further

RESOLVED, that \$1.5 million will be managed and administered by the Office of Community Development for the advancement of Village Main Street concepts; and

Mr. May said that these are subject to county attorney review. This puts a little more structure to the \$2.8 million shift. Mr. Rowley asked if the intent is to have those dollars go specifically into those departments. Mr. May said that the intent is to have this transfer have a little more definition.

Ms. Primo asked Mr. Maturo if the budget language has to change. Mr. Maturo said that his recommendation is that if the money is going to go to Community Development for town and village infrastructure, that amount is \$1.5 million in Community Development. The Economic Development money should go into the Economic Development project because Community Development grants are a separate fund in the county, and you are spending \$1 million out of Community Development that is not under their purview. Ms. Primo recommended amending the budget language to reflect Mr. Maturo's recommendations.

Chair Cody suggested that with everyone weighing in that the committee should have something in writing before a vote is taken on it. Mr. Durr suggested that the committee knows in concept what it wants and suggested the committee move on, and Law Department will get a draft to members immediately with very specific language. It's just a matter of getting the verbiage right. Mr. Rowley added "also getting the accounting right," and Mr. Durr agreed.

Mr. May asked if a vote would be taken in concept or in detail. Mr. Durr said that you would be voting on both, with further detail to be defined. You are voting on making specific appropriation amounts and the resolution be further defined when a draft resolution is provided by the Law Department.

Mr. May withdrew his motion. Chair Cody stated that the committee likes the concept but feels everyone would be more comfortable with it all being put in writing.

10. ONONDAGA COUNTY ACCOUNTABILITY & REINVESTMENT CORP.: Robert Durr, County Attorney

a. Authorizing the Transfer of Tax Delinquent Properties to the Onondaga County Accountability & Reinvestment Corporation (Sponsored by Mr. Knapp)

- Formulation of the LDC
- Specifically related to 56 Industrial Drive in Solvay - gives authority to take that property
- Property currently pending litigation – in front of Judge Paris last week
- DMI, holding company, brought a motion – show cause to stop the county from doing this
- Order by Judge Paris that said that it didn't preclude the legislature from moving and enabling the county executive to taking the property, but if the legislature gives the county executive the authority, he can't exercise that authority until there is a lifting of the judge's order
- DMI has come forward as a result of this--they want to resolve this, but the litigation is still going forward

- Have been researching these companies like DMI and Moonbeam – they set up LLC's in NYS – they set up a separate corporation just for that once piece of property
- Most of these holding companies are Nevada companies because Nevada has the strongest laws in the country where regarding piercing the corporate veil. There is a parent company that has assets but set up subcompanies to protect themselves. If a lawsuit is brought in New York, they have to apply to Nevada law in order to pierce the corporate veil. It is very difficult to pierce the corporate veil under Nevada law.

Mr. Rowley said this will happen the same as it did for the Marcellus property – will foreclose, have title to it for a minute and then transfer it to the LDC. Mr. Weber agreed (response inaudible). Mr. Rowley asked why this is an LDC and why it can't be done through OCIDA. Mr. Durr said that that LDC protects us, referencing Shoppingtown/Moonbeam, and DMI/56 industrial – set up these NYS LLC's to protect themselves. The county is doing the same thing but for good instead of evil. It protects us from environmental liability and premises liability – it's a liability protection and a vehicle that enables us to move quicker into transfer of that property. The concept is not to hold that property for an extended period of time, not to develop that property; it is just to get it, market it, and get rid of it.

Mr. Rowley said that he doesn't understand the liability issue. He asked what happens if something happens on the property – wouldn't they come back on the county. Mr. Durr said it would go to the LDC. Mr. Rowley said that they don't have any money; Mr. Durr said that they would have whatever asset they are holding. In theory they are not totally judgment proof, and would have some exposure, but it is not the exposure that the county would have. Mr. Durr said it is more issue of environmental liability than premise liability. Some of these properties have environmental issues – that's the real reason.

Mr. Rowley said "just to be clear, the county is absolutely protected from liability -- if someone goes on that property, falls, dies, we are not getting sued as a county." Mr. Durr said that the county could possibly get sued. Mr. Rowley said that there are certainly no guarantees; Mr. Durr agreed. Mr. Durr said that the liability on the county is as limited as it could possibly be. Someone who sues is going to sue everybody and let God sort it out, but the county is a protected as it could possibly be under this concept.

Mr. Rowley asked how the LDC gets funded – does not know if there are expenses or not, but what if something happened on the property and we had to remediate, clean something up, or fix something up. Mr. Durr said that Mr. Burtis, as a funder/banker, had answered that question from Mr. Jordan. Mr. Durr noted that pieces of property won't be taken that are totally worthless. He assumes the legislature will be doing due diligence to make sure that a piece of garbage isn't taken. If taking a piece of property that does have some worth, it's going to have value and Mr. Burtis indicated that financing could be made off of the value of that property. Mr. Durr said that it will be minimal of what will have to be financed because it would just be possibly maintenance, fixing a fence, or plowing to get access, or something like that. It would be maybe \$1,000 per year.

Mr. Glazier said from a liability protection standpoint on the environmental side, when the environmental evaluation is done, one of the first things they look at are "what are the conditions". He said that in their review they found that this is a site that has a very limited release opportunity because of the nature of its history, and remedial history. Mr. Durr said that this is a site for development potential – not a storage for toxic sites – it's a mechanism for community development.

Mr. Rowley referred to Mr. Durr's point that it could be \$1,000/year and asked who fronts that cash. Mr. Durr said that the LDC, based upon the equity that it has, can go to the bank and get funded. He referenced the LDC at the Film Hub – they got a small fund based upon the promise of a state grant and the value of the property. Mr. Durr said it can be funded, will be limited funding, and won't be necessary to have a lot of funding. Anything would go against the proceeds of the future sale of the property.

Mr. Rowley said that if something did have to be done on the property, can there be assurance that once it is transferred that county employees won't be used to do anything on it. Mr. Durr said that he can't assure anything, but "you couldn't do that." Mr. Morgan said that there are LDCs now – OTASC, Hotel Development Corp, and the Greater Syracuse Sound Stage. For any support committed to an LDC, the time is tracked and billed to the LDC. He noted that someone in his office is responsible for banking and making payments for the Syracuse Sound Stage. That employee tracks her time and bills it to the LDC. He noted that OTASC works the same way. Mr. Rowley said that he understood, but wanted to ask questions for the record. Mr. Beadnell said that assuming there are assets, it would require an outside audit as well; that expense is \$4,500.

Mr. Durr said that the State Comptroller has written a manual on LDC's – there was an LDC problem in Cicero, in Monroe County where it was being used like a deck of cards, and one in Erie County. The State Comptroller specifically sites these three areas as things that are prohibited. He said that he is very aware of the parameters of the LDC and are living within the NYS Comptroller's guidelines.

Mr. Rowley said that the Film Hub has an accounting error on their last financial statement and asked how we ensure ourselves that we don't have that kind of problem going forward. He asked if the Comptroller's office will be able to look at it. Mr. Durr said that the LDC will be subjected by law to an annual review by an outside county firm. The board, based upon the recommendation of Bonadio, changed all of the accounting practices and it became much more formalized. A better process was put in place, which satisfied the outside auditors. It's a lesson learned that will be applied to this LDC – financial control will be important. He said that he doesn't think anything with the new LDC will be anything near to the scale of the Film Hub.

Mr. Rowley said that if someone looked at the books and records prior to the error happening at the Film Hub, it could have been avoided and also avoid a comment on our financial statements. Mr. Durr said it was an error in process – does not think it was an error specific to the county – they wanted a different process. Mr. Rowley said that his understanding was that it was a non-accountant making a judgment that probably shouldn't have occurred. Mr. Durr said it should have been reviewed. Mr. Beadnell said that it was an error in accounting – it wasn't just process. Mr. Morgan said that it was an oversight – there was not deliberate action. Mr. Beadnell agreed that it wasn't deliberate, but it was an accounting error.

Mr. Rowley asked what happens with the proceeds when the property is sold. Mr. Durr said that LDC's can't have a profit. Mr. Rowley asked if they can hold onto the cash. Mr. Durr said that they can't park it – they have to do something with it – marketing expenses, closing costs, plowing, etc. – all those costs will be taken out of the proceeds of the sale; the rest would be put towards the back taxes.

Mr. Rowley asked if the company has been formed yet. Mr. Durr said that they have the articles ready to go. It strategically was not formed because of the defending lawsuit. In order to avoid the LDC the cost of defending that lawsuit, it was decided not to form it. It is ready to go, and when this gets resolved, it will take a couple of days to get the company formed.

Mr. Rowley asked if legislators can see the by-laws once they are established. Mr. Durr said "of course." Chairman Knapp asked if they are public record; Mr. Durr said that they are for sure FOILable. Mr. Morgan said that the bylaws for OTASC are on the website.

Mr. Rowley said that there is pending litigation, and asked what the point is of doing this now. Mr. Durr said that it shows unification and a resolve to stop companies like this from doing what they are doing – making sure everybody is in the same boat, rowing in the same direction. Then these companies realize that we are not kidding, or having any second thoughts about it -- it gives us the ability to hit the ground running.

Mr. May said that the biggest motivator for him in supporting this strategy is that there are some technical logistics that are very reasonable concerns and issues that should be clarified. At the end of the day, the good taxpayers of Onondaga County are bearing this burden year in and year out. As a county that holds local municipalities harmless, we really shoulder a significant load. We are starting to see publicly that some of the delinquent taxpayers are actually exploiting our good will and the circumstances to the detriment of everyone else who is paying their taxes on time and doing their diligence in this community. He has tried hard to separate the legislature's responsibility from that on the executive side of the house. From a policy direction and sending the right message, we are tracking in a pretty good, meaningful direction. He said that he wants to continue to hold local municipalities harmless, but this kind of stuff that is happening is putting all of that at risk. That is a serious risk to our town partners, City of Syracuse, and everybody. This is serious and it has to stop.

Chair Cody said that she is very happy to see that the county executive taking some steps to do this. She said that as she understands it, the idea is not to transfer something and have it sit there. It is to move it quickly and there is potentially some interest in this property. Mr. Durr said that the legislature is the spigot on this – every transfer into the LDC has to be approved by the legislature. The legislature will be doing its due diligence and asking questions; before authorizing a transfer, the legislature will have the answers. Chair Cody said that it is looking at it strategically – if this was just put up for auction, there is not a lot of control. Mr. Durr said that there would be no control whatsoever.

Mr. Rowley agrees with Leader May; this is a very, focused one-off LDC creation; it seems that it has merit. He said that he wants to ask these questions because Mr. Durr brought up Monroe County and their use of LDCs as a deck of cards. He said that he is scared about something like that happening in this county and wouldn't want that to happen. Mr. Durr reiterated that the legislature will have the control – making decisions on what goes to the LDC or not. Mr. Rowley said that when he was the CFO, there was a meeting with Monroe County and they tried to show us that this was a good way to fund county government in a very tough economic period. Our county decided to go the sales tax route, which was much better. Mr. Durr said that the state comptroller has made it clear on what the requirements are and what they are looking for.

A motion was made by Mrs. Ervin, seconded by Mr. Ryan, to approve this item.

Chairman Knapp said that this is a unique situation. About a month ago the county executive called him about this property in Geddes – 5 year tax delinquent, they are physically destroying the asset – taking it down to sell it off in pieces. It's obvious by their actions that their plan is to do this and walk away, leave us holding the bag. The county executive asked if this could be put on as a waiver at session. Chairman Knapp said that given the facts, time was of the essence, and we needed to move. A press conference was held where the county executive announced this initiative; announced the name of the LDC. It had the desired effect. The lawyer for the company met with the county executive. The lawyer said that he would be back last Monday with a settlement offer. Instead, they came back with a lawsuit. The lawsuit was heard the very next day in front of Judge Paris, on the morning of session. The county attorney came in right before session started and explained that the judge ruled that DMI had to stop all actions at the property and that the county could not foreclose at that point. There is a follow-up date on the 31st in front of Judge Karalunas, who is also handling the tax search on this property. He explained that is a unique property – it's very attractive as it is on Solvay Electric, on a railroad line, in an industrial zone, there are thousands of tons of steel, as well as copper in it. He said that there has never been a discussion at session, at the Planning Committee meeting, or today, as to whether we should foreclose on this property. Everybody agrees that we are going to foreclose on this property. He said that unless the property owner comes to the table with something really good, we are going to foreclose. The only discussion has been what form of entity it will be transferred to. Because there were so many questions about the LDC, being a new concept for us, and Legislator Rowley made the motion at session to table for 30 days so it could go through the committee process, given the judge's ruling, he decided that was a good idea. Chairman Knapp said that if the court wouldn't have ruled the way it did, he thinks we would have had to push through at session because the company was taking down the asset and time was of the essence.

Chairman Knapp said that it has now gone through the process; a lot of questions have been answered very well, and people are more comfortable supporting this; or if they don't, they know why they aren't going to support it. To do it now as opposed to waiting, gives the county executive the ability, if the court rules, to foreclose and react quickly so the company does not return to doing what they were. Chairman Knapp said that he considered calling a special session if something happened this month.

Mr. Rowley said that if there is a lien on the property and it's not transferred to this LDC or anywhere else, can't we through court action, tell the people on the property/owner to stop doing stuff on the property. Mr. Durr said that we can. He said pursuant to NYS Tax Law when someone owes money on a piece of property, we have the ability to do a cease and desist action. He said a cease and desist letter was done. If this wasn't brought to court with a court order, we could do a cease and desist action in front of the court. In answer to Mr. Rowley, Mr. Durr said that we can do it when there is a tax lien on the property.

A vote was taken on the motion. AYES: 5 (Cody, May, Williams, Ervin, Ryan); NOES: 0; ABSTAINED: 1 (Rowley). MOTION CARRIED.

11. FINANCE: Steven Morgan, CFO

a. Monthly Report - Double Encumbered Positions (Res. 86-2018)

- Unchanged from last report
- 2 positions should be off the report next month

