

The Legislature of Rockland County



MICHAEL M. GRANT
LEGISLATOR – DISTRICT 2
CHAIR, BUDGET & FINANCE COMMITTEE

Members Present:

Leg. M. Grant, Chair
Leg. A. Wolfe, Vice Chair
Leg. I. Schoenberger, 2nd Vice Chair
Leg. H. Cornell
Leg. T. Earl
Leg. J. Hood, Jr.
Leg. N. Low-Hogan
Leg. J. Murphy
Leg. P. Soskin
Leg. F. Sparaco

Others Present:

Leg. C. Carey
Leg. D. Jobson
Leg. J. Meyers
N. Doliner
S. Powers
A. Connors
R. Brega
M. Hook
Leg. B. Kantrowitz
Leg. A. Paul
R. McKay, Esq.
S. DeGroat
M. Walsh-Tozer
D. Philipps
S. Grogan

MINUTES
BUDGET & FINANCE COMMITTEE
TUESDAY, MARCH 11, 2014
7:15 PM

ROLL CALL

ADOPTION OF MINUTES, MEETING OF FEBRUARY 25, 2014

MOTION TO ADOPT:
LOW-HOGAN/EARL

UNAN

I. BONDS/PUBLIC WORKS MATTER:

1PPW) REF. #6394 - BOND RESOLUTION DATED _____, 2014

BOND RESOLUTION OF THE COUNTY OF ROCKLAND, NEW YORK, AUTHORIZING FINANCING FOR THE COST OF REPLACEMENT OF THE SAMSONDALE AVENUE BRIDGE OVER CSX RAILROAD IN THE VILLAGE OF WEST HAVERSTRAW, STATING THE ESTIMATED MAXIMUM COST THEREOF IS \$3,600,000; STATING THAT THE PLAN OF FINANCING SAID COST INCLUDES THE ISSUANCE OF \$3,600,000 BONDS HEREIN AUTHORIZED; AND AUTHORIZING \$1,731,200 EXPECTED TO BE RECEIVED FROM THE UNITED STATES OF AMERICA AND \$324,600 EXPECTED TO BE RECEIVED FROM THE STATE OF NEW YORK TO BE EXPENDED TOWARDS THE COST OF SAID OBJECTS OR PURPOSES OR REDEMPTION OF THE COUNTY'S OBLIGATIONS ISSUED THEREFOR, OR TO BE BUDGETED AS AN OFFSET TO THE TAXES FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST OF SAID BONDS
(CHARLES VEZZETTI, SUPERINTENDENT, HIGHWAY) DL#2013-04672

TRANSFERRED FROM PPW 3/11/14

MOTION TO APPROVE:
HOOD, JR./GRANT

UNAN

2PPW) REF. #6394 - AMENDING 2014 ADOPTED CAPITAL BUDGET IN THE AMOUNT OF \$4,200,000 INCREASING THE TOTAL PROJECT COST FROM \$37,800,000 TO \$42,000,000 FOR RECONSTRUCTION OF NEW HEMPSTEAD ROAD, TOWNS OF RAMAPO AND CLARKSTOWN, CAPITAL PROJECT NO. 3273 (DEPARTMENT OF HIGHWAYS) (\$42,000,000)
(CHARLES VEZZETTI, SUPERINTENDENT, HIGHWAY) DL#2013-05372

TRANSFERRED FROM PPW 3/11/14
ADDED SPONSORS: LEGS. SCHOENBERGER, WOLFE, JOBSON, PAUL

MOTION TO APPROVE: **UNAN**
EARL/WOLFE

ADDED SPONSORS: LEGS. CORNELL, EARL, HOOD, JR., SOSKIN, SPARACO

3PPW) REF. #6394 - APPROVING AGREEMENT IN EXCESS OF \$100,000 WITH MONTESANO BROS., INC. FOR THE RECONSTRUCTION OF NEW HEMPSTEAD ROAD, TOWNS OF RAMAPO AND CLARKSTOWN, CAPITAL PROJECT NO. 3273 IN THE ADDITIONAL AMOUNT OF \$4,166,653.49 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$32,715,574.79 AND AUTHORIZING EXECUTION OF THE CONTRACT BY THE COUNTY EXECUTIVE (DEPARTMENT OF HIGHWAYS) (\$32,715,574.79)
(CHARLES VEZZETTI, SUPERINTENDENT, HIGHWAY) DL#2013-05375

RED
DOT
VERSION

TRANSFERRED FROM PPW 3/11/14
ADDED SPONSORS: LEGS. SCHOENBERGER, WOLFE, JOBSON, PAUL

MOTION TO APPROVE: **UNAN**
CORNELL/WOLFE

ADDED SPONSORS: LEGS. CORNELL, EARL, HOOD, JR., SOSKIN, SPARACO

4PPW) REF. #5906 - APPROVING AGREEMENT IN EXCESS OF \$100,000 WITH NATIONAL WATER MAIN CLEANING CO. FOR A TOTAL CONTRACT SUM NOT TO EXCEED \$885,852.45 FOR THE SEWER SYSTEM MAINTENANCE PROJECT, CONTRACT SM2014-01 FOR A PERIOD OF 210 CONSECUTIVE CALENDAR DAYS OR UNTIL DECEMBER 31, 2014 WHENEVER IS EARLIEST FROM THE NOTICE TO PROCEED AND AUTHORIZING ITS EXECUTION BY THE COUNTY EXECUTIVE (ROCKLAND COUNTY SEWER DISTRICT NO. 1) (\$885,852.45)
(DIANNE PHILIPPS, DIRECTOR, SEWER DISTRICT NO. 1) DL#2013-05404

TRANSFERRED FROM PPW 3/11/14
ADDED SPONSORS: LEGS. SCHOENBERGER, WOLFE, JOBSON, PAUL

MOTION TO APPROVE: **UNAN**
SOSKIN/EARL

ADDED SPONSORS: LEGS. CORNELL, EARL, HOOD, JR., SOSKIN, SPARACO

5PPW) REF. #6803/- APPROVING PURCHASES IN EXCESS OF \$100,000 FOR COMPREHENSIVE
7493 LIQUID BITUMINOUS MATERIALS UTILIZING THE NEW YORK STATE
CONTRACT GROUP 31555 AWARD 22669 AND ANY SUCCESSOR CONTRACT
IN A TOTAL AMOUNT NOT TO EXCEED \$1,000,000 BY FORMAL
PURCHASE ORDER FOR THE PERIOD FROM JANUARY 1, 2014 THROUGH
DECEMBER 31, 2014 (DEPARTMENT OF GENERAL SERVICES – DIVISION OF
PURCHASING) (\$1,000,000)
(GERRY WALSH, COMMISSIONER, DGS-PURCHASING) DL#2014-00365

TRANSFERRED FROM PPW 3/11/14
ADDED SPONSORS: LEGS. SCHOENBERGER, WOLFE, JOBSON, PAUL

MOTION TO APPROVE: **UNAN**
WOLFE/MURPHY

ADDED SPONSORS: LEGS. CORNELL, EARL, HOOD, JR., SOSKIN, SPARACO

ACTION:
**COMMITTEE REQUESTS THE HIGHWAY DEPARTMENT TO PROVIDE A LIST OF ALL ROADS
THAT NEED RESURFACING**

6PPW) REF. #9323 - APPROVING PURCHASES IN EXCESS OF \$100,000 FORM ORACLE AMERICA,
INC. FOR ANNUAL PEOPLESOFT ENTERPRISE AND PEOPLESOFT DATABASE
MAINTENANCE AND SUPPORT FOR EXISTING LICENSES IN AN AMOUNT NOT
TO EXCEED \$252,928.16 IN ACCORDANCE WITH NYS OGS CONTRACT NO.
PT64000 WITH ALL PURCHASES TO BE MADE BY FORMAL PURCHASE ORDER
(DEPARTMENT OF GENERAL SERVICES – DIVISION OF PURCHASING) (\$252,928.16)
(GERRY WALSH, COMMISSIONER, DGS-PURCHASING) DL#2014-00328
ADDITIONAL BACK-UP WITH CLERK

TRANSFERRED FROM PPW 3/11/14
ADDED SPONSORS: LEGS. SCHOENBERGER, WOLFE, GRANT, JOBSON, PAUL

MOTION TO APPROVE: **UNAN**
MURPHY/LOW-HOGAN

ADDED SPONSORS: LEGS. CORNELL, EARL, HOOD, JR., SOSKIN, SPARACO

2. **GRANTS/DONATIONS:** **NONE**

3. **BUDGET ITEMS:**

3A) REF. #9495 - APPROPRIATING THE SUM OF \$1,250 TO MARINE CORPS LEAGUE-DEPARTMENT
OF NEW YORK, ROCKLAND COUNTY DETACHMENT, HAVERSTRAW, NEW YORK
FOR PATRIOTIC OBSERVANCES IN 2014
(HON. JOHN A. MURPHY, LEGISLATURE) LG#3314

MOTION TO APPROVE: **UNAN**
MURPHY/HOOD, JR. & SOSKIN

**ADDED CO-SPONSORS: LEGS. GRANT, WOLFE, SCHOENBERGER, CORNELL, EARL, HOOD, JR.,
SOSKIN, SPARACO, JOBSON**

3B) REF. #9495 - APPROPRIATING THE SUM OF \$1,250 TO THE NAM KNIGHTS OF AMERICA HUDSON CHAPTER FOR PATRIOTIC OBSERVANCES IN 2014
(HON. JOHN A. MURPHY, LEGISLATURE) LG#3206

MOTION TO APPROVE: UNAN
MURPHY/SOSKIN

ADDED CO-SPONSORS: LEGS. GRANT, WOLFE, SCHOENBERGER, CORNELL, EARL, HOOD, JR., SOSKIN, SPARACO, JOBSON

4. AUTHORIZATIONS:

4A) REF. #8203 - ADOPTING THE LIST OF PERSONS REQUIRED TO FILE AN ANNUAL STATEMENT OF FINANCIAL DISCLOSURE FOR THE REPORTING YEAR 2013
(IRA E. OUSTATCHER, CHAIR PERSON, BOARD OF ETHICS) DL#2014-00173

MOTION TO APPROVE: UNAN
WOLFE/HOOD, JR.

ADDED SPONSORS: LEGS. GRANT, WOLFE, SCHOENBERGER, CORNELL, EARL, HOOD, JR., SOSKIN, SPARACO, JOBSON

4B) REF. #9495 - AUTHORIZATION TO PAY 2014 SALARIES OF EMPLOYEES IN GRANT DEPARTMENTS THAT ARE UNFUNDED IN THE 2014 PERSONNEL BUDGET BUT ANTICIPATED TO BE FUNDED FROM VARIOUS SOURCES DURING THE YEAR 2014 (DEPARTMENT OF FINANCE)
(STEPHEN DEGROAT, COMMISSIONER, BUDGET & FINANCE) DL#2013-00262

MOTION TO APPROVE: UNAN
LOW-HOGAN/HOOD, JR.

ADDED SPONSORS: LEGS. GRANT, WOLFE, SCHOENBERGER, CORNELL, EARL, HOOD, JR., SOSKIN, SPARACO, JOBSON

5. CONTRACTS/AGREEMENTS:

5A) REF. #6760 - APPROVING AN AGREEMENT IN EXCESS OF \$100,000 WITH THE ROCKLAND COUNTY BAR ASSOCIATION INC. IN THE AMOUNT OF \$110,000 FOR THE PERIOD FROM JANUARY 1, 2014 THROUGH DECEMBER 31, 2014 (DEPARTMENT OF BUDGET AND FINANCE) (\$110,000)
(STEPHEN DEGROAT, COMMISSIONER, BUDGET & FINANCE) DL#2014-00420

TRANSFERRED FROM MULTI-SERVICES 3/11/14
ADDED SPONSORS: LEGS. SOSKIN, EARL, PAUL, WIEDER, JOBSON

MOTION TO APPROVE: UNAN
SOSKIN/MURPHY

ADDED SPONSORS: LEGS. GRANT, SCHOENBERGER, WOLFE, CORNELL, HOOD, JR., SPARACO

5B) REF. #7844 - APPROVING THE EXTENSION OF AND AMENDMENT TO THE AGREEMENT IN EXCESS OF \$100,000 WITH MICHELE KATZ, PH.D. FOR FORENSIC PSYCHOLOGIST CONSULTING SERVICES ON AN AS NEEDED BASIS BY INCREASING THE AMOUNT OF THE AGREEMENT BY \$75,000 AND EXTENDING THE TERM OF THE AGREEMENT FROM APRIL 1, 2014 THROUGH MARCH 31, 2015 WITH ONE (1) REMAINING ONE (1) YEAR OPTION FOR A TOTAL AMOUNT NOT TO EXCEED \$222,500 FOR THE PERIOD FROM APRIL 1, 2011 THROUGH MARCH 31, 2015 FOR THE DEPARTMENT OF MENTAL HEALTH UNDER RFP-RC-2010-031 AND AUTHORIZING ITS EXECUTION BY THE COUNTY EXECUTIVE (DEPARTMENT OF GENERAL SERVICES – DIVISION OF PURCHASING) (\$222,500)
(GERRY WALSH, COMMISSIONER, DGS-PURCHASING) DL#2014-00462

TRANSFERRED FROM MULTI-SERVICES 3/11/14
ADDED SPONSORS: LEGS. SOSKIN, EARL, PAUL, WIEDER, JOBSON

MOTION TO APPROVE: **UNAN**
SCHOENBERGER/EARL

ADDED SPONSORS: LEGS. GRANT, Schoenberger, Wolfe, Cornell, Hood, Jr., Sparaco

5C) REF. #9383 - APPROVING PURCHASES IN EXCESS OF \$100,000 FROM PAPER MART FOR THE PURCHASE OF MULTI-PURPOSE RECYCLED AND VIRGIN COPY PAPER FOR VARIOUS ROCKLAND COUNTY AGENCIES UNDER RFB-RC-2012-092 IN AN AMOUNT NOT TO EXCEED \$143,000 FOR THE PERIOD FROM JANUARY 1, 2013 THROUGH JUNE 30, 2014 WITH ALL PURCHASES TO BE MADE BY FORMAL PURCHASE ORDER (DEPARTMENT OF GENERAL SERVICES – DIVISION OF PURCHASING) (\$143,000)
(GERRY WALSH, COMMISSIONER, DGS-PURCHASING) DL#2014-00117

MOTION TO APPROVE: **UNAN**
CORNELL/LOW-HOGAN

ADDED SPONSORS: LEGS. GRANT, Wolfe, Schoenberger, Cornell, Earl, Hood, Jr., Soskin, Sparaco, Jobson

6. ALLOCATION/RECLASSIFICATION OF POSITIONS:

*6A) REF. #9173 – RECLASSIFYING TWO POSITIONS IN THE DEPARTMENT OF SOCIAL SERVICES
(JOAN M. SILVESTRI, COMMISSIONER OF PERSONNEL) DL#2014-00326

MOTION TO APPROVE: **UNAN**
SCHOENBERGER/HOOD, JR.

ADDED SPONSORS: LEGS. Wolfe, Schoenberger, Cornell, Earl, Hood, Jr., Soskin, Sparaco, Jobson

*The above item is being **PULLED** from going on the Legislative Agenda for March 18th per Leg. Alden Wolfe, Chair of the Legislature and Michael Grant, Chair of B&F, at the request of Stephen J. Powers (Director of Public Policy & Intergovernmental Relations).*

7. **BIDS:** **NONE**

8. **TRANSFER OF FUNDS/OTHERS:** **NONE**

9. **TAX ITEMS:**

9A) REF. #9475 - REQUESTING THE NEW YORK STATE LEGISLATURE AND THE GOVERNOR OF THE STATE OF NEW YORK TO ADOPT LEGISLATION ELIMINATING THE IMPOSITION ON COUNTIES OF 50 PERCENT OF THE NON-FEDERAL PORTION FOR MEDICAID EXPENSES
(HON. MICHAEL M. GRANT, LEGISLATURE) LG#3315

MOTION TO APPROVE : **UNAN**
CORNELL/WOLFE

ADDED CO-SPONSORS: LEGS. WOLFE, SCHOENBERGER, CORNELL, EARL, HOOD, JR., LOW-HOGAN, SOSKIN, SPARACO

10. **PUBLIC HEARINGS:**

10A) REF. #9126 - *SETTING A DATE FOR A PUBLIC HEARING:* A LOCAL LAW ESTABLISHING A POLICY TO MANDATE THE PROMPT PAYMENT OF LAWFUL DEBTS AND OBLIGATIONS INCURRED BY THE COUNTY OF ROCKLAND
(HONS. SCHOENBERGER, PAUL, MURPHY, SPARACO, LEGISLATURE) LG#3288

Leg. Schoenberger said it was his intention with this local law to create a policy for payment which does not inflict a hardship upon people who do business with or receive payments from the County. He said when vouchers, requisitions, and purchase orders are submitted it can take up to 30 days to approve paperwork. The County must issue checks within 90 days but sometimes holds the check until there is money in the account, sometimes for several weeks.

Leg. Schoenberger noted that 3 hours prior to this law being discussed in committee, the County Executive issued an Executive Order requiring payments to be made within 60 days. Leg. Schoenberger said although his local law was proposing to have the county pay within 30 days of paperwork being approved, he was willing to change the requirements to 60 days and work with the County Executive. He said the County Executive recognized the Legislature for taking a leadership role.

Stephen Powers, Director of Public Policy and Intergovernmental Affairs, said the County processes about 200,000 vouchers and purchase orders a year for both mandated and non-mandated items. During the fiscal crisis, there were times where there was not enough cash to make timely payments. Mr. Powers read a letter dated March 10, 2014 from Ms. Jill Warner of Jawonio as follows:

I wanted to commend Ed Day and his staff on the progress we have seen in county money owed to us being paid on a timely basis. For years, county payments to Jawonio have lagged behind 90 to 120+ days. This has resulted in the county owing us well over 2 million dollars at times, creating the need for Jawonio to borrow while we waited for the county for obtain some means to pay us. Calls to the county were often made weekly updating them to the position we were put in and asking for relief.

As of today the county is up to date on all of its payments to Jawonio. Not only are they up to date, but Ron Hansen has worked with us recently to forward payment a bit early when we were suffering through our own cash crunch.

Jawonio is grateful to Ed and his administration for acknowledging our struggle and paying us on time, and not subjecting us to further financial stress. This is what partnership is all about, and we look forward to moving forward together towards a United Rockland that works together towards a better future for our citizens.

Jill A. Warner, LCSW
Executive Director, CEO
Jawonio Inc

Leg. Schoenberger stated his goal is for the County to receive letters just like the one Mr. Powers read.

Mr. Powers said under the present proposed law, if the County failed to make timely payments they would be forced to make interest payments as set forth under the Civil Practice Law and Rules. He requested the Legislature hold off on this local law for a couple of months.

Chair Grant said this is an important issue and we have an obligation to pay debts promptly and to work with the Administration to correct this. He understands there have been problems with cash flow and paperwork not being routed properly. He said that a public hearing is needed to address these issues and get further input.

Leg. Meyers felt it made no sense imposing an interest penalty on the County and seemed stupid.

The Committee members were willing to work with the Administration to make any changes/additions that come up.

MOTION TO APPROVE: *AS AMENDED UNAN
SCHOENBERGER/MURPHY

ADDED CO-SPONSORS: LEGS. WOLFE, CORNELL, EARL, HOOD, JR., SOSKIN, JOBSON

ACTION:
LEGISLATIVE COUNSEL TO AMEND LOCAL LAW TO REFLECT THAT MANDATORY PAYMENT BE MADE IN 60 DAYS. COUNSEL TO PROVIDE ANY AND ALL LANGUAGE TO EFFECTUATE THIS CHANGE.

11. LOCAL LAWS/HOME RULES: NONE

12. PRESENTATIONS/DISCUSSIONS:

12A) REF. #9495 *DISCUSSION ITEM:* RATING AGENCY MEETINGS, CREDIT MARKET STATUS AND SHORT TERM BORROWING UPDATE AND PLAN
(HONS. MICHAEL M. GRANT, ARON B. WIEDER, LEGISLATURE)

Chair Grant requested Commissioner of Finance Stephen DeGroat to give the committee an update.

Commissioner DeGroat stated that Moody's had assigned a Baa3 rating to bonds saying the outlook on the county is stable. He also said the County did not do the \$45M RAN (Revenue Anticipation Note) nor do they anticipate doing the \$60M RAN in June. The TAN (Tax Anticipation Note) was sold at 1% interest rate (the lowest rate since the County was downgraded).

Rockland County received a low 2.7% interest rate at the sale of its \$96M deficit bonds. There were several prominent financial bidders including Goldman Sachs, Fidelity, T. Rowe Price and Fidelity. The bond generated \$107M representing a premium of \$11.7M. The \$107M will permanently address the equivalent portion of the deficit because it is recorded as a loan and not a deficit. This will allow the County to put the cash on the books making the deficit under \$20M.

Chair Grant said he had read a news report where Orange County Executive Steve Neuhaus had said that Moody's was likely to downgrade Orange as many as three notches due to the fiscal situation facing the County. OC Executive Neuhaus also warned of the potential layoff of 574 workers or a possible raise in property taxes of 34%.

Chair Grant asked Commissioner DeGroat when the next bond rating was expected. He said July or August of this year.

Chairman of the Legislature Wolfe said he had initiated a referral for a resolution that would earmark the premium from the bonds for deficit reduction and would like the Commissioner's input. Commissioner DeGroat said he had sent information to Nick DeSantis and would also consult with the State Comptroller.

ACTION:
COMMITTEE CLERK TO PUT THIS ON THE AGENDA OF THE MARCH 25TH MEETING OF B&F FOR FURTHER DISCUSSION AND UPDATES.

13. **MISCELLANEOUS:** NONE

14. **RECEIVE & FILE:** NONE

15. **CORRESPONDENCE – REVIEW AND DISCUSSION:** NONE

MOTION TO ADJOURN: 8:40 PM UNAN
SOSKIN/SPARACO

“The Rockland County Legislature is committed to full compliance with the Americans with Disabilities Act. To that end, the Legislature is committed to reating an accessible environment for all. To request accommodations that you may require, please call Damaris Alvarez at 845-638-5248 (845-708-7899 for TTY/TDD). Please request these accommodations three (3) days in advance so that we can seek to meet your needs.”