

NASSAU COUNTY LEGISLATURE

NORMA GONSALVES,
PRESIDING OFFICER

FINANCE COMMITTEE

RICHARD NICOLELLO,
CHAIRMAN

1550 Franklin Avenue
Mineola, New York

July 25, 2016
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REGAL REPORTING SERVICES
516-747-7353

A P P E A R A N C E S:

RICHARD NICOLELLO
Chairman

VINCENT MUSCARELLA
Vice-Chair

ROSE MARIE WALKER

DONALD MACKENZIE

DELIA DeRIGGI-WHITTON
Ranking

SIELA A. BYNOE

LAURA CURRAN

MICHAEL C. PULITZER
Clerk of the Legislature

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1 Finance Committee - 7-25-16 4

2 CHAIRMAN NICOLELLO: I call the Finance

3 Committee to order. I ask the Clerk to call the

4 roll, please.

5 CLERK PULITZER: Thank you.

6 Legislator Siela Bynoe?

7 LEGISLATOR BYNOE: Here.

8 CLERK PULITZER: Legislator Laura

9 Curran?

10 LEGISLATOR CURRAN: Present.

11 CLERK PULITZER: Ranking Member Delia

12 DeRiggi-Whitton?

13 LEGISLATOR DeRIGGI-WHITTON: Here.

14 CLERK PULITZER: Legislator Donald

15 MacKenzie?

16 LEGISLATOR MACKENZIE: Here.

17 CLERK PULITZER: Legislator Rose Marie

18 Walker?

19 LEGISLATOR WALKER: Here.

20 CLERK PULITZER: Vice Chairman Vincent

21 Muscarella?

22 LEGISLATOR MUSCARELLA: Here.

23 CLERK PULITZER: Chairman Richard

24 Nicoletto?

25 CHAIRMAN NICOLELLO: Here.

2 CLERK PULITZER: We have a quorum.

3 CHAIRMAN NICOLELLO: Thank you.

4 I'm going to do things a little bit
5 differently today. I'm going to be calling the
6 item with respect to the Garvies Point project
7 before this committee. I'm also going to be
8 inviting the Rules Committee members to join us
9 if they want to ask any questions at this time so
10 we can avoid having two presentations on this one
11 item.

12 Item 268-16 is a resolution pursuant to
13 New York General Municipal Law §858(15) with
14 respect to the Garvies Point Project in Glen
15 Cove, New York.

16 LEGISLATOR MUSCARELLA: So moved.

17 LEGISLATOR WALKER: Second.

18 CHAIRMAN NICOLELLO: Legislator
19 Muscarella moves that, Legislator Walker seconds
20 it.

21 The item is before the committee.

22 MS. GOETZ: We have Mayor Spinello,
23 Milan Tyler, who is counsel to the Glen Cove IDA,
24 and Peter Curry, partner at Farrell Fritz.

25 CHAIRMAN NICOLELLO: Thank you. I

apologize for the delay, Mayor Spinello.

MAYOR SPINELLO: Thank you. I'm here for the City of Glen Cove. What we're seeking is a - Reggie Spinello, Mayor of Glen Cove. I'm here for the City of Glen Cove. We are seeking a deviation from the normal distribution of PILOTS from the county.

This is a 20-year in-the-making waterfront project. Fifty-two acres of blighted property on the waterfront of Glen Cove has received \$20 million in remediation funds from the federal, state, and county level. The project is ready to go forward now and what we need is a deviation.

There is over \$622 million that's going to be generated in taxes and other revenues from this project. In front of you, you probably have a Schedule A which shows less - in Schedule A there is a deviation of which you are voting on. The funds that the county is voting on - remember, this project is generating zero revenue. This project is all new revenue. The county, from the deviation alone, will be receiving \$21 million. That is the portion that

you're voting on, a deviation, a deviation, which would normally be 7.5 percent is 6.4 percent.

The other portion of the funds that the county is going to be receiving is \$75 million. There is no deviation there. That includes full tax money and additional revenue. That's \$75 million. So of the \$96 million that the county is going to receive, the deviation that we're speaking about only encompasses 20 percent of the revenue stream.

This project will create over 1,000 jobs - 466 during construction, 545 post-construction, bringing \$48 million in new wages to the county. Additionally, \$50 million will be spent into the local economy. For the county, on recurring revenue, they're going to be receiving \$733,000 annually on sales tax, \$265,000 annually on sewer fees, and another \$100,000 on other revenue. Don't forget the sewer, which the county took over, is a underperforming asset in Glen Cove, has the capacity of 5.5 million gallons a day. Right now it's probably using about three million. This will add 360,000 gallons a day to an underperforming asset which comes at no

2 expense to the county. Again, this project is
3 new revenue.

4 For 30 years this area has not generated
5 not one penny of tax revenue for the city, for
6 the school, for the county, and for the library.
7 Now we're about to begin a project that, really,
8 Long Island has long been waiting for. And I
9 look forward to your comments.

10 CHAIRMAN NICOLELLO: I have a couple of
11 comments. Are you finished for now? Or do you
12 want others to speak?

13 MAYOR SPINELLO: Go ahead.

14 CHAIRMAN NICOLELLO: Okay. There are
15 other municipalities that have to agree to the
16 allocation.

17 MAYOR SPINELLO: Correct.

18 CHAIRMAN NICOLELLO: That involves the
19 City, obviously, which is you, but also the
20 library and the school district.

21 MAYOR SPINELLO: Right.

22 CHAIRMAN NICOLELLO: The library has
23 already agreed to the allocation?

24 MAYOR SPINELLO: The library has agreed.
25 The city has approved it. The school is - we've

2 been back and forth with them. We're providing
3 them information that they need. But I have no
4 reason to believe that they're going to be
5 objecting to it.

6 CHAIRMAN NICOLELLO: When are they
7 meeting? Is that today?

8 MAYOR SPINELLO: The school is - we're
9 hoping that they meet August 1.

10 CHAIRMAN NICOLELLO: So this property is
11 a Brownfield, correct?

12 MAYOR SPINELLO: It's a superfund site
13 that's been remediated with \$120 million of
14 assorted government monies.

15 CHAIRMAN NICOLELLO: You mentioned
16 there's a history of some-20 years or so.

17 MAYOR SPINELLO: There's more than 20
18 years it's been off the tax roll. Additionally,
19 with the sale of this property, the City will be
20 able to pay a 108 loan that was provided by the
21 county. There is an environmental bond, the City
22 received a half million dollars from the county.
23 Some of the money that's going in the bond - this
24 bond, by the way, is a bond for the
25 infrastructure, for the public improvement. It's

2 only for the horizontal component of it. A city
3 - many cities, many communities with projects
4 like this have to make the project shovel ready.
5 That's the investment they make to attract
6 investments.

7 This is a superfund site. The
8 redeveloper - this is a billion dollar project,
9 of which the redeveloper is putting in \$860
10 million on his own, some debt and some equity.
11 So this project is really going to be
12 transformative for Glen Cove.

13 As you all know, Glen Cove has been in
14 deficit financing for the past ten years. This
15 will be making Glen Cove whole. This will allow
16 us to stabilize our taxes and to bring young
17 professionals, empty nesters, and stimulate our
18 local economy with jobs and wages and people that
19 want to help grow Glen Cove.

20 CHAIRMAN NICOLELLO: From the county's
21 perspective though, as you mentioned, there's a
22 deviation - the allocation, instead of 7.5
23 percent it's 6.4. However, we are getting zero
24 percent from this, zero dollars from this
25 property currently.

2 MAYOR SPINELLO: Correct.

3 LEGISLATOR NICOLELLO: With respect to
4 the deviation, you have to factor into the
5 equation the other sources of funds, which you
6 mentioned, that the county will be receiving over
7 the course of time.

8 MAYOR SPINELLO: Actually, the county is
9 probably one of the biggest beneficiaries of this
10 particular project because the deviation that
11 we're talking about, the county would be getting
12 about 21 million. It's about one percent less -
13 it's about six and a quarter and 6.4 instead of
14 7.5. But the real juice is in the recurring
15 revenue that you get and the full tax dollars
16 that you get. In essence, the county would be
17 receiving almost \$100 million of new revenue of a
18 40 year period.

19 LEGISLATOR NICOLELLO: Thank you.

20 Any other questions? Legislator Curran.

21 LEGISLATOR CURRAN: Hi. So following up
22 on what Legislator Nicolello said. Is there a
23 schedule for when the county will be getting this
24 money? As I read in the item, there is no
25 guarantee that the county will be getting a dime.

2 The first paragraph, the last sentence of that
3 item, the last paragraph of the first sentence,
4 the resolution provides that the county consents
5 and agrees that any amount of PILOTs the county
6 would have received, etcetera, . . . are to be
7 allocated to the City of Glen Cove.

8 MAYOR SPINELLO: No. That's for, I
9 believe, Mulan, you can answer that. I believe
10 that's the flow of the payments, that the money
11 would go through the City and be paid to the
12 County.

13 One of the ways that we wanted to set
14 this up is that, unlike other situations you may
15 have, this event is cash positive for every
16 attached jurisdiction in year one, and that's one
17 of the beauties of this.

18 LEGISLATOR CURRAN: Is there a schedule
19 for that?

20 MAYOR SPINELLO: Yeah. The schedule
21 should be - it should be attached and you should
22 have them.

23 LEGISLATOR CURRAN: All right.

24 I have another question about the
25 performance of the Glen Cove IDA historically. I

2 see in the past three years the Glen Cove IDA has
3 dug themselves further into the red - in 2013 the
4 net position at year's end was \$1 million in the
5 red; 2014, \$1.2 million in the red; 2015, \$1.6
6 million in the red. I'm just wondering if there
7 is a plan to end this year with a better net
8 position.

9 MAYOR SPINELLO: Well, the sale of the
10 property makes the City whole, makes the IDA
11 whole. This has been an investment in the
12 future. And what you do is sometimes just like
13 when you take a mortgage there is good debt and
14 there is bad debt. When you're borrowing money
15 to help grow an asset in the future, that's
16 exactly what we're doing here. So the IDA will
17 be made absolutely whole as will the City. In
18 addition to those monies at closing, the City
19 will receive - the sale price on the property is
20 15 million and there will be an additional \$10
21 million and a one-time fee the City has.

22 You know the City has been in the deficit
23 finance position and this will help us to remove
24 ourselves from the deficit position, help to
25 stabilize our taxes, and help to move Glen Cove

2 forward.

3 This is the type of project that I think
4 Long Island needs. It keeps the kind of people
5 we want on Long Island, young professionals,
6 empty nesters. Eliminating the brain freeze.
7 Additionally, if you take a place like Glen Cove
8 - one of the other things people don't think
9 about, I have a volunteer fire department. If we
10 can't have housing that keeps the youth there,
11 that gives them a reason to stay and is
12 affordable, then my volunteer fire department
13 becomes a paid fire department and then the City
14 has an additional burden.

15 I think this is a great project and I'm
16 looking forward to it moving forward.

17 LEGISLATOR CURRAN: I hear what you're
18 saying about the need for housing. I just have a
19 few more questions, if that's all right Chairman.

20 With the Glen Cove IDA the number of jobs
21 created per exemption is also not great when you
22 compare it to Nassau County and the Town of
23 Hempstead. It was, in 2014, about \$43,000 in
24 exemption per job. Town of Hempstead IDA is
25 about one-sixth of that with about \$7,000, and

2 Nassau County about a seventh of that with 6,000.

3 I guess maybe the same answer you gave me last
4 time would apply to this.

5 MAYOR SPINELLO: What happens is - and
6 those were year's past, prior to my
7 administration. The simple fact is on Long
8 Island, downstate area, many of the PILOT
9 programs really involve rentals, and rentals do
10 not really generate the number of jobs. When you
11 go upstate, to some of these areas upstate, most
12 of them are for manufacturing, the PILOTs are for
13 manufacturing and there is a greater amount of
14 jobs that are yielded from those PILOTs, so
15 that's why the PILOT numbers are lower. This
16 year there is obviously a big difference, and
17 there is a tremendous amount as it's a mixed-use
18 project. Twenty-eight acres of it, by the way,
19 is for public amenities, so I think it will
20 change those numbers.

21 LEGISLATOR CURRAN: Thank you.

22 CHAIRMAN NICOLELLO: Legislator DeRiggi-
23 Whitton.

24 LEGISLATOR CURRAN: I'm sorry. I have a
25 couple more.

2 One other thing. The state allows IDAs
3 to recapture money that's been given. The IDA is
4 allowed to take monies back if the jobs have not
5 been delivered. Has the Glen Cove IDA ever
6 clawed back any of that money?

7 MAYOR SPINELLO: Since I've been here,
8 no. Perhaps, Milan, you can address that.

9 MR. TYLER: I don't believe that it has,
10 to my knowledge. But there are provisions in the
11 operative documents that allow that if there are
12 defaults under certain circumstances.

13 LEGISLATOR CURRAN: Right. Right. I
14 have one more question.

15 I think you said it was \$622 million in
16 PILOTs over 40 years.

17 MAYOR SPINELLO: No. 622 is the total
18 revenue. The PILOT is 614 million. There are
19 two different charts.

20 LEGISLATOR CURRAN: That's good. I'm
21 glad you said that because that's the number that
22 I understood.

23 MAYOR SPINELLO: Yeah. The 622
24 represents the total revenue including non-
25 taxable revenue. The 614 is the part of the

2 PILOT that deals with the deviation.

3 LEGISLATOR CURRAN: Okay. So it's the
4 614-point-something over the 40 years. But then
5 I see that \$283 million of that over 40 years is
6 going to be subtracted for debt service. I'm
7 still new to all of this so this might be a naïve
8 question. But that seems to me to cut in half
9 the 615 million over the 40 years if you are
10 subtracting almost 300 million for debt service.
11 Is this a normal thing to subtract that much for
12 debt service?

13 MAYOR SPINELLO: This is akin to taking
14 out a mortgage. You take a mortgage out for
15 500,000 and 30 years later you pay a million. So
16 this is the same thing as that.

17 The City cannot afford to take a \$90
18 million bond. This particular offering is a
19 great instrument for the City. It's a non-
20 recourse vehicle for the City.

21 What's happening is the redeveloper, or
22 whoever will own that property once things are
23 built, they're paying the tax on the bond. The
24 Glen Cove taxpayers outside that area, they're
25 not asked to contribute anything. They're

2 contributing nothing to this. So the actual bond
3 is being paid by the redeveloper who is building
4 the project. And should there be a default,
5 which is highly unlikely, that would be the bond
6 holders that would incur the loss.

7 LEGISLATOR CURRAN: So this is a normal
8 thing with these sorts of PILOTs, to have this
9 much subtracted?

10 MAYOR SPINELLO: I think this is a very
11 creative type of vehicle that the City is using
12 that utilizes the redeveloper to take on much of
13 the debt, and it allows the City to fill its
14 obligation of providing infrastructure and making
15 the project shovel ready.

16 LEGISLATOR CURRAN: Okay. Because it
17 seems like in the end it's not necessarily \$614
18 million.

19 MAYOR SPINELLO: That's what the -
20 that's what you're voting for the deviation on.
21 That money that's being raised is being deviated
22 to pay the bond and for a separate distribution
23 to the tax districts.

24 LEGISLATOR CURRAN: Okay. One more
25 question. I'm sorry I'm dominating this. One

2 more question.

3 So the project is priced at, if I
4 understand this correctly, \$97 million plus
5 reserves and other -

6 MAYOR SPINELLO: The bond.

7 LEGISLATOR CURRAN: Yes. Yes.

8 MAYOR SPINELLO: Correct. It's about a
9 \$120 million bond.

10 LEGISLATOR CURRAN: Okay. 120 million.
11 So how do we get to the \$120 million to the 283
12 million?

13 MAYOR SPINELLO: Those are the
14 potential, that's the potential total amount that
15 could be paid, depending on the amount of time
16 that it takes to pay the bond.

17 LEGISLATOR CURRAN: Okay.

18 MAYOR SPINELLO: Obviously there is
19 interest.

20 The taxes are also - the taxes could also
21 be higher, which could turbo the bond and those
22 payments would be made sooner and it would be
23 less money.

24 LEGISLATOR CURRAN: So is there a
25 formula to create to come up with that number?

2 If there is I'd love to see it.

3 MR. TYLER: I'm sorry?

4 LEGISLATOR CURRAN: Is there a formula
5 that you use to get, you know, 97-plus reserves.
6 What was the number, 112 million?

7 MR. TYLER: \$120 million.

8 LEGISLATOR CURRAN: \$120 million, to get
9 that to the 283 million.

10 MR. TYLER: There is an underwriter that
11 the IDA has engaged, Citi Group, and they have
12 run the numbers. And depending on the particular
13 interest rates for the various types of bonds,
14 because there is very little cash flow from the
15 PILOTS in the beginning, some of the bonds are
16 capital appreciation bonds that pay no interest
17 at first. So they have run the numbers and come
18 up with those formulas for us.

19 LEGISLATOR CURRAN: Is that something
20 that we could see?

21 MR. TYLER: I imagine.

22 LEGISLATOR CURRAN: Okay. Thank you
23 very much. That's it for my questions. Thank
24 you.

25 CHAIRMAN NICOLELLO: Legislator DeRiggi-

2 Whitton. I thought you were just going to jump
3 in.

4 LEGISLATOR DeRIGGI-WHITTON: I was
5 waiting for you to announce me because you get
6 upset when I jump in.

7 Good afternoon, Mayor Spinello. We have
8 two mayors of Glen Cove here today. I have Mayor
9 DeRiggi - former Mayor DeRiggi also.

10 Would you mind just describing what the
11 IDA's bond is for?

12 MAYOR SPINELLO: The bond? The bond
13 that's being - the bond that is being offered
14 pays the infrastructure and it's to build the
15 infrastructure and the public amenities. All of
16 this money, not a penny of this goes to the
17 redeveloper for the verticals. This is all about
18 infrastructure. It will go for an esplanade. It
19 will go for the parks. It will go for the
20 playgrounds, a dog park. The utilities that need
21 to put in there. It's all for public
22 improvements.

23 LEGISLATOR DeRIGGI-WHITTON: In the
24 original contract, including the fourth
25 amendment, was it agreed upon at that time that

2 the redeveloper shall be responsible for funding
3 and construction of all public amenities?

4 MAYOR SPINELLO: The land disposition
5 agreement that you are talking about is a living
6 and breathing document. There's been lots of
7 changes to it since 2003. Obviously, the whole
8 entire climate has changed. The price of the
9 property has gone down while the cost of
10 construction has gone up. There have been items
11 in the land development agreement that the City
12 was required to pay that the redeveloper has
13 paid. To date, the redeveloper has laid out
14 probably over \$40 million. So the final
15 disposition agreement, LDA Number 9, will clarify
16 everything.

17 The City - it has always been
18 contemplated, even if you look at LDA four, that
19 there will be financial assistance provided.

20 LEGISLATOR DeRIGGI-WHITTON: True. I
21 can understand some financial. Just for clarity,
22 I was a city councilwoman for a number of years,
23 so I'm familiar with this contract. I'm also
24 familiar with the fact that, you know, it was
25 signed basically saying that the City was going

2 to be responsible for the road, which was
3 approximately 20 million, but the esplanade is
4 about 40 million. That was specifically signed
5 that the developer be responsible for that, for
6 him to be able to get - that was really the only
7 way, I understand, that we were able to abandon
8 waterfront property, so that's why the developer
9 agreed to pay for that. And now -

10 MAYOR SPINELLO: The esplanade was never
11 40 million.

12 LEGISLATOR DeRIGGI-WHITTON: How much
13 would you say?

14 MAYOR SPINELLO: The esplanade, I don't
15 recall. But the esplanade was not 40 million.
16 The esplanade component of this is about \$1.5
17 million.

18 We have a city obligation for the road,
19 which is about \$15 million. We have demolition
20 which coincides with the incinerator, which is
21 part of one of the funding that the city
22 received, that's about \$2.5 million, and then
23 there are other obligations. So in taking with
24 what you're saying, there is probably only a
25 delta of about \$30 million in this entire thing.

2 But going back and forth, the city - if we held
3 everybody to their own the city would be owing
4 money at closing. So this is the city's
5 opportunity to provide what I believe it's
6 legally obligated to provide and that's, vis-à-
7 vis, what we've been going through, and at the
8 same time have not put the burden on the
9 taxpayers and give a new revenue tax stream to
10 the City of Glen Cove. We've had, as you're
11 aware, no new developments since 2009.

12 As you all know, I did the police
13 contract, I did the CSEA contract. You need
14 revenue. You can't cut yourself in expenses to
15 prosperity. You need to have a revenue stream,
16 and this is a new revenue stream for the city
17 that we haven't had.

18 LEGISLATOR DeRIGGI-WHITTON: I agree.
19 That was the whole point, I think, of this
20 project, for years that we were expecting
21 approximately \$6 million a year in increased
22 taxes. Now, from what I'm understanding, a
23 majority of what the city will be getting will be
24 going to paying for this loan.

25 MAYOR SPINELLO: No. It's not a

majority. And there was a needs analysis done by HRA Associates, and what they found was that even with the City's \$90 million contribution the redeveloper would have an IRR of 11.4 to 12.4 percent, which is very low based on the norm for a high-risk project, the superfund site like this, which is about 15 percent. I think the return has been fair.

I think what happens with a project like this is when you have people that start pushing back, first they push back on the height of the building, then they push back on traffic, and they go through a number of different things. Now the last piece here is the money and all of a sudden the money isn't enough. It's \$600 million and will probably be even more.

So we've started with zero. The city has had zero for 30 years. We've kicked the can down the road long enough. There have been holes in the budget, you're well aware of it. There have been one-shot revenues. This is what the city needs to get back on its financial feet. And I think when you have a project this big, I can't disagree with you, I think everybody will have

2 something that they don't like about it. But as
3 a whole, I think this is the right project for
4 Glen Cove. I think it's a one-in-a-lifetime
5 opportunity for us, and I would hope, as you were
6 a part of it for a long time, would be a part of
7 making this happen.

8 LEGISLATOR DeRIGGI-WHITTON: No. You
9 know why I'm not? Because the terms have changed
10 completely. I'm telling you, Reggie. I've
11 worked with you closely and I respect you as a
12 person. But what I am seeing right now is a 180.

13 This was supposed to be the tax revenue
14 which we were going to rely on to help our
15 budget. I know even just our last year, 2016,
16 we're using all the money from the profit of the
17 sale plus the permits. We haven't even gotten an
18 environmental clearance yet, so we're not even
19 sure if that's going to come through for this
20 year. But let me just finish.

21 What happened now with this PILOT, we
22 could have done, we actually talked about doing
23 this about ten years ago, and nobody wanted to do
24 a PILOT. We wanted to have - the whole point of
25 developing Garvies Point was to have a permanent

2 tax revenue for our city. All of a sudden, now,
3 we're agreeing to pay for things that the
4 contractor has signed in a contract, a legal
5 contract, to pay for. This is supposedly - I've
6 heard anywhere from a seven billion to a \$17
7 billion company, RXR. Glen Cove is really in --
8 we've never had a lot of money and part of it is
9 because we thought the revenue for this was going
10 to come through.

11 Already back in your prior - the mayor
12 before you, we lowered the sale price from 25
13 million to 15 million as an incentive. To me,
14 this, what we're going now is a complete
15 incentive to push this developer to go ahead with
16 this project. I don't see what the benefit to
17 the Glen Cove or Nassau County taxpayers is if
18 we're giving them the \$120 million loan. What
19 would be going to taxes to the city is now going
20 to pay off that loan.

21 The 600 million - I remember when they
22 did the Avalons in Glen Cove. They said wait
23 until you see what the restaurants are going to
24 look like. And they gave us all of these
25 projected increases for revenue for the Avalons

2 too. I don't see them. I know we've done some
3 studies. They haven't shown. The 600 million is
4 really speculative at best.

5 I just want to go over one thing. I'm
6 not going to talk too long on this.

7 I received - actually, it's pretty
8 interesting. This is procedural on the county
9 level. Just to have it clocked in. We received
10 a copy of the Schedule A and everything else. It
11 was clocked in I believe at 3:06 today, right
12 now, an hour ago. We haven't had a chance to
13 look at anything. I'm not even sure if that goes
14 with the amendment. In one it's called Schedule
15 A and in the other it's called Section A. The
16 first 2017/2018 where it shows profit I see zero.

17 MAYOR SPINELLO: No. All you're looking
18 at it is Schedule A. You're only looking at what
19 you're voting for the deviation on. You have to
20 look at Schedule B to see all of your revenue.
21 That's the number that you want. The deviation
22 is only a very small part of this. I'll just
23 make one other comment.

24 It was always contemplated - and while
25 you were there on the council - that there would

2 be a 40 percent PILOT on this project. Always.

3 LEGISLATOR DeRIGGI-WHITTON: Forty
4 percent?

5 MAYOR SPINELLO: Yes. And right now the
6 PILOT is about a 60 percent PILOT, and after 20
7 years it goes to an 85 percent PILOT. So the
8 numbers are good. To back out of the project or
9 to say that it doesn't work because the city is
10 making a contribution too, I don't think that's
11 fair. This will give the city everything it
12 needs.

13 The price dropped to 15 million because
14 the bottom fell out of the market.

15 LEGISLATOR DeRIGGI-WHITTON: I know. I
16 remember.

17 MAYOR SPINELLO: And not you, but the
18 mayor that was there while you sat, he put a
19 moratorium on building. You had the perfect
20 storm. You could have got \$35 million for this
21 project. Not you. But the fact is that's not
22 what happened. Time and circumstance changed
23 thing. The city, we now have a \$10 million check
24 we're getting, which was never contemplated while
25 you were there. So you give a little, you take a

little.

The project has changed. Everything changes over time. Building costs are up five percent a year. Building - the value of property is down about 20 percent. In the last iteration, I asked the redeveloper to remove two buildings, so we lost 20 percent in density; that's a loss in revenue there.

We've done all we can to make the project work. Everybody has what they like and don't like about it, but there is no disagreement that this is not a home run for all the tax jurisdictions. There are not many opportunities like this around. This is \$600 million. And that's not all the juice. There are all the benefits; what happens to the local economy, you're going to see what happens in Glen Cove.

Right now, we've got a bunch of different projects going on. I've got undervalued assets that are going to go on the market. This is a lynchpin for us to move Glen Cove forward, and I would hope that you would give it some consideration.

Thank you.

2 LEGISLATOR DeRIGGI-WHITTON: Well, I
3 just have to say as a resident and homeowner in
4 Glen Cove, this is not at all what I envisioned,
5 honestly, for the area. We really hoped for more
6 of a mixed use. I really think what we're doing
7 - this contract has no end date, I get it. The
8 developer has already put 40 million into it, I
9 don't think he's leaving. But what I think we're
10 doing is just bending over completely for this
11 developer. We've given him a \$10 million break
12 from lowering the price from 25 million to 15. I
13 understand that was the stimulus. That's what we
14 were told, basically. What's what we thought
15 would do it. Now for the City of Glen Cove
16 taxpayers to have a bond of this much, 120
17 million, to pay for things that are contractually
18 obligated to, already signed by the developer,
19 this is a \$17 billion company. How can Glen Cove
20 be paying for things that that contractor agreed
21 to pay for contractually and signed?

22 MAYOR SPINELLO: First of all, we're
23 not. The \$120 million bond is non-recourse. The
24 taxpayers don't take a penny out of their pocket.

25 LEGISLATOR DeRIGGI-WHITTON: But it is.

2 Going to pay the bond would be going to taxes.

3 MAYOR SPINELLO: It's taking care of the
4 City's obligation.

5 LEGISLATOR DeRIGGI-WHITTON: No, no, no.
6 It's much more than that, Reggie, we both know
7 that. The City obligation was for the road.

8 MAYOR SPINELLO: No.

9 LEGISLATOR DeRIGGI-WHITTON: It's not
10 \$120 million. There is now way - what we're
11 doing is we're paying for things - and I
12 understand why. Really, this almost like what
13 they want to do with the Coliseum and it would
14 have been a similar situation had we been
15 building the actual building. But by giving the
16 parks and all this stuff, that is precluding it
17 from being called a gift. But in my mind what
18 we're doing, honestly, is we're asking the
19 taxpayers to not receive taxes until 2038 or
20 whatever, 38 years or I forget the year, it's
21 really not going to probably not be in my
22 lifetime.

23 MAYOR SPINELLO: There is revenue from
24 year one.

25 LEGISLATOR DeRIGGI-WHITTON: No. It's

2 really not what we're entitled to. We were
3 supposed to be getting close to \$6.9 million in
4 taxes, and now four of that is going to pay for
5 this loan that I - I don't even know how it's
6 honestly legal. I see it as a gift to the
7 developer because it's taxpayer money, supposed
8 to be coming to the taxpayer. Yes, it's coming
9 from the developer. Instead of coming to the
10 Glen Cove taxes and the county taxes, it's now
11 going to pay this loan that the IDA, of three
12 people, signed having Glen Cove participate

13 That's \$120 million that we are covering
14 the developer for.

15 MAYOR SPINELLO: We're not covering.
16 You're translating it one way. That's the City's
17 obligation.

18 LEGISLATOR DeRIGGI-WHITTON: Now 120
19 million of it.

20 MAYOR SPINELLO: What you're saying is
21 just because this company is worth 10 billion or
22 whatever it is that he is supposed to pay more
23 than - it's like when you go to buy a house and
24 the house is a half million dollars and it's
25 appraised at 400 and you say I'll give you 400

2 and the guy says -

3 LEGISLATOR DeRIGGI-WHITTON: No, Reggie.

4 MAYOR SPINELLO: it's worth 500, you
5 have enough money to pay for it.

6 LEGISLATOR DeRIGGI-WHITTON: Page 20 -

7 MAYOR SPINELLO: I disagree with you.

8 LEGISLATOR DeRIGGI-WHITTON: Page 20,
9 Amendment 14, the redeveloper shall be
10 responsible for the funding and construction of
11 all public amenities. And that is what these -
12 these parks are that, that is what the esplanade
13 is. That's what the 120 is going for. Again,
14 it's because if we did it - if we just gave it to
15 the developer that would be a gift.

16 MAYOR SPINELLO: You're taking one
17 snippet of an amendment that's gone from 2003 -

18 LEGISLATOR DeRIGGI-WHITTON: No. This
19 is 2012.

20 MAYOR SPINELLO: It's gone from 2003 to
21 2012. It's a living, breathing document.
22 There's been changes all the time, and you're
23 taking one snippet and using that as what it is.
24 That's not the way that this deal is worked. If
25 that was the case we would never have gotten this

2 far.

3 LEGISLATOR DeRIGGI-WHITTON: Reggie, we
4 can't just let a developer out of a contract like
5 this. If they sign something saying that the
6 redeveloper will be responsible for the funding
7 and construction of all public amenities and now
8 the IDA is taking out a bond for all public
9 amenities, basically we are paying for something
10 that he is contractually obligated for. If he
11 broke the contract and we had a new contract that
12 would have to go out for a new RFP. So there is
13 now way we'd change this contract.

14 I still see that this developer is 100
15 percent responsible. He signed the contract. If
16 we signed a contract, trust me, we would be held
17 responsible for it.

18 You're talking about contract law.
19 You're talking about the fact that we are really
20 doing an incentive for this developer to build
21 something that I don't - honestly, I never really
22 came out against this. I don't think it fits our
23 community. I don't like 12 tower stories on our
24 beach. I really like the mixed use that we had
25 before which would draw people down there. I

2 have no desire to go down there. It's like
3 seeing the EAB Plaza on your beach. Not to
4 mention the fact that our surrounding communities
5 are really upset with us. But that's one thing.

6 The thing that I'm here today to tell you
7 - and I'm sorry that we're going to have to agree
8 to disagree on this - is I don't think this is at
9 all financially beneficial to the Glen Cove City
10 taxpayers.

11 MAYOR SPINELLO: I'm going to have to
12 disagree with you. You're making an assumption
13 that is not true, that they're legally obligated.

14 Secondly, as far as the height of the
15 buildings, while you were there, there were two
16 12-story towers and a 10-story tower; I reduced
17 that to one 12-story and a four story.

18 LEGISLATOR DeRIGGI-WHITTON: No.
19 Reggie, I was there after that.

20 MAYOR SPINELLO: No. You were there in
21 2011 and I sent you the information and showed
22 you the changes.

23 LEGISLATOR DeRIGGI-WHITTON: I didn't
24 vote on anything. I did not vote on that.

25 MAYOR SPINELLO: You didn't speak

2 against it.

3 LEGISLATOR DeRIGGI-WHITTON: I did not
4 vote on it. It was the IDA and the CBA. I'm not
5 on the IDA or CBA.

6 MAYOR SPINELLO: But you received the
7 FDIS and that was yours to comment on.

8 LEGISLATOR DeRIGGI-WHITTON: But I did
9 not - I never voted on anything to raise the
10 towers like that. I never voted on anything to
11 have this financing either. I never voted on
12 anything for the waterfront, if you really want
13 know the truth. I had it checked out. I had
14 everything that was ever before me. I never had
15 to vote on the waterfront.

16 I will tell you right now I didn't speak
17 out on it even when a lot of my areas wanted me
18 to. You know why? Because I thought it was
19 really going to help our tax base, because that
20 was the whole point of this.

21 Reggie, I'm telling you with this
22 borrowing on behalf of the developer it's
23 negating any of the positive that I always
24 believed for this project.

25 MAYOR SPINELLO: Again, respectfully,

2 I've always had a nice relationship with you. I
 3 completely disagree with you. To say that having
 4 \$600 million and to be spread out between
 5 jurisdictions is not good enough, again, the
 6 taxpayers are not affected by this. Their taxes
 7 remain the same and we'll continue to get a new
 8 revenue stream. Without this project the City
 9 will probably have to, over the course of the
 10 next three years because we have obligations that
 11 the redeveloper laid out, probably have to go
 12 back and borrow about \$48 million. So the City
 13 doesn't have that. I certainly don't want to
 14 raise taxes in the double digits over the next
 15 few years.

16 I've been with this project for a few
 17 years. And by the way, no one has voted more,
 18 given more no votes on this project than me.

19 LEGISLATOR DeRIGGI-WHITTON: I know.

20 MAYOR SPINELLO: When I was a
 21 councilman, I protected the interest of the City
 22 and I wouldn't do anything if I didn't think it
 23 was right for the City. And I've done that all
 24 along. And this is a cash-positive event for the
 25 City. I said I would never do it if it wasn't

2 cash positive. This is absolutely cash positive.

3 If you want to talk about PILOTs and how
4 PILOTs are a problem, that's a whole other
5 conversation. PILOTs are a part of doing
6 business for everyone. If you want to go up to
7 the state and change it. But if the amount of
8 time it takes to get a permit in New York State -
9 this project, it was a superfund site. You see
10 how many projects we have in Glen Cove, seven,
11 eight years. Time is money. By the way, there
12 are no developers lining up here to take this
13 waterfront. I hear people say, oh, cut it down,
14 make it half the size and anybody will come in
15 and take it. There is nobody lining up. This is
16 a superfund site. The guy's put \$40 million into
17 it and we're still going to make a ton of money.
18 Maybe it's not as much as you want but it's
19 certainly a very cash-positive event.

20 It's the other benefits also that it's
21 bringing. It's bringing economic growth. It's
22 bringing development. It's bringing new people to
23 the City. It's the right thing for Glen Cove and
24 Glen Cove needs it. We've been in a bad
25 financial position for many, many years, and I

2 hope that this project - I know that it will get
3 us out of it.

4 LEGISLATOR DeRIGGI-WHITTON: Reggie, I
5 just want to say one more thing. We do agree to
6 disagree, and I think that our relationship will
7 survive it. However, what I would like to just
8 say, Reggie, there are so many things that are
9 not being considered. I really feel like we're
10 giving this property away to this developer.
11 We're letting him develop the cheapest way
12 possible, which is up rather than out. All
13 right, we're doing all that. But now to be
14 borrowing money for things that he's
15 contractually obligated. It doesn't matter how
16 long of a time or how many - when you sign a
17 contract you are due to it.

18 Let's just say one more thing. As far as
19 a revenue goes, I've seen all different
20 projections on the school, the impact that the
21 school is going to have. Look. Maybe we'll have
22 all empty nesters. They are projecting some
23 people might sell their house in Glen Cove to
24 move here. That would also open up to another
25 family with kids, possibly.

2 The cost of this for our community, you
3 know, could be a lot more than what's being taken
4 into consideration.

5 I understand. I get it. You want to get
6 it done. I feel like we're giving away too many
7 concessions to this developer. I also don't like
8 the fact that our budget already has all of this
9 money spent. I don't like that type of budget.
10 It's a one-shot revenue. I don't know what we're
11 going to do the following year to make up the
12 four million. But you're the mayor and I'm not,
13 so that's your issue.

14 Again, we agree to disagree.

15 MAYOR SPINELLO: Yeah.

16 LEGISLATOR DeRIGGI-WHITTON: I think
17 that Glen Cove could get a much better deal for
18 the taxpayers than what this is.

19 MAYOR SPINELLO: If you have someone,
20 let me know because there is nobody there that
21 will do it.

22 LEGISLATOR DeRIGGI-WHITTON: Honestly, I
23 think that this developer, there is no reason why
24 we are bailing out a multi -

25 MAYOR SPINELLO: Nobody is - with all

2 due respect, that's your interpretation. As far
3 as one-shot revenue, from when you were there the
4 budget had to be filled with one-shot revenue.
5 So what I did this past year is I took \$3.5
6 million of what was the sale price of the
7 property and about \$1.5 million in building fees
8 and I put it towards the budget.

9 LEGISLATOR DeRIGGI-WHITTON: I know.

10 MAYOR SPINELLO: Because if I didn't -
11 and I was criticized by the state comptroller.
12 Because if I didn't, I would have had to raise
13 taxes. If I went by the state comptroller's
14 formula, I would have had to raise taxes 18
15 percent.

16 LEGISLATOR DeRIGGI-WHITTON: Because the
17 spending went up a lot too, Reggie. No offense.
18 But the spending went up tremendously.

19 MAYOR SPINELLO: I included what we
20 always borrow for. I included certs and
21 termination pay, and I didn't borrow for that.
22 So take a close look.

23 I did one budget in Glen Cove and I had
24 an \$800,000 surplus. So I think I know how to
25 manage it.

2 CHAIRMAN NICOLELLO: Let's just focus on
3 the issue and not --

4 MAYOR SPINELLO: I respectfully agree to
5 disagree.

6 CHAIRMAN NICOLELLO: Let's not just
7 focus on Glen Cove's finance; you can go to the
8 city council meetings and discuss that. Let's
9 focus on what's happening here, the allocation
10 that the county is responsible for, my
11 suggestion.

12 But if you want to continue your
13 conversation with respect to the city, you can do
14 so but not here.

15 Legislator Curran, do you have any more
16 questions?

17 LEGISLATOR CURRAN: Yeah. Quickly. I'm
18 looking at the amendment, payment schedule 1.1.
19 It refers to Exhibit A and I'm not finding
20 Exhibit A, and I'm wondering if it's this,
21 Schedule A.

22 MR. TYLER: That was given to you under
23 separate cover. Yes, you have it. Yes, and that
24 will be incorporated into the final word
25 processed document. So they are the same.

2 LEGISLATOR CURRAN: Okay. We'll get the
3 final document before we vote next time, right?

4 MR. TYLER: Yes.

5 LEGISLATOR CURRAN: Okay. Which is next
6 Monday. It's only in one week, not two weeks
7 like normal.

8 CHAIRMAN NICOLELLO: The Rules Committee
9 members, if they want to ask any questions they
10 are invited to do so. The presentation will be
11 here for the Rules Committee as well. If you
12 guys want to jump in now, feel free.

13 MR. WALSH: This is Kevin Walsh from the
14 Office of Real Estate Services. Just so you
15 know, the schedule you have, Schedule A, is
16 attached to the master tax agreement, which is
17 also part of the resolution. It's referenced in
18 the resolution as well. It's a consent
19 resolution.

20 LEGISLATOR CURRAN: It's technically
21 unattached, but perhaps it's attached in spirit.

22 CHAIRMAN NICOLELLO: Legislator Jacobs.

23 LEGISLATOR JACOBS: Hi, everybody. Hi,
24 Mayor. How are you?

25 MAYOR SPINELLO: Good.

2 LEGISLATOR JACOBS: A quick question I
3 wanted to ask you. I know that there were
4 problems with the environmental soil situation in
5 this property. Have you gotten that
6 environmental clearance yet?

7 MAYOR SPINELLO: We expect by the end of
8 the month to get the final amended record of the
9 decision which will state that the property is
10 ready for restricted residential use.

11 LEGISLATOR JACOBS: From the DEC?

12 MAYOR SPINELLO: From DEC, EPA.

13 LEGISLATOR JACOBS: Does it need
14 remediation? Like, will it need footage of soil?

15 MAYOR SPINELLO: That will come with the
16 AROD and that will be part of the site management
17 plan. If certain areas need to be cleaned up
18 that will be identified in that.

19 LEGISLATOR JACOBS: And the developer
20 knows they will have to abide by -

21 MAYOR SPINELLO: Sure. Sure. We've all
22 been negotiating that for years.

23 LEGISLATOR JACOBS: Okay. Thank you.

24 MAYOR SPINELLO: That's normal in a
25 superfund site, you put in environmental and

2 institutional controls.

3 LEGISLATOR JACOBS: You know that my
4 district is right near yours and I had Syosset
5 and I still have Old Bethpage, so I know that.
6 Remediation is always a question mark.

7 CHAIRMAN NICOLELLO: Any other
8 discussion?

9 (No verbal response.)

10 Thank you, Mayor Spinello, and your
11 speakers.

12 I just want to make sure no other
13 legislators have any comments.

14 (No verbal response.)

15 Public comments? Judge DeRiggi, since
16 you're on your way up.

17 JUDGE DERIGGI: Good afternoon,
18 everyone. Donald DeRiggi, Glen Cove.

19 I was the Mayor of Glen Cove when this
20 area was initially declared to be a superfund
21 site. I got Ed Als from EPA down there. They
22 began to look at it and they found radioactive
23 material from the Lee Tungsten Factory in the
24 ground. It's taken this long - I have to tell
25 you that that's quite a while ago, that was 1989

that that began. Not only do I have an interest in it because I believe I initiated this whole thing, because it had sat there for 40-some-odd-years without anybody doing anything about it. And of course I am a resident. I am a lawyer. Reggie, his view of contracts, quite frankly, I think is naïve.

There is a contract that says RXR is to pay for the amenities. Supposedly, from what I've read in the papers and things I've heard, that's \$97 million. All of a sudden, RXR, if you go by their buildings sometime you see they're doing pretty well, say we can't do this. We can't build this. We can't pay that \$97 million. Glen Cove, you have to pay it. And no matter how you cut it that's exactly what's happening.

The mayor - and I always got along with Reggie, I believe. To some extent. I don't like you giving away \$97 million, quite frankly. That's a gift. How can you take a contract that says RXR is going to pay for the amenities and all of a sudden say that's okay, we'll pay for them out of anticipated tax revenue.

Members of the Republican Caucus which,

quite frankly, I was there, I don't think you want to be a party to this. I don't think you want to give your seal of approval to a situation where, okay, the Mayor has done a good job. He spent a lot of money. He reduced the purchase price from 25 to 15 because, as you heard him say, he put in the budget, over \$4 million of anticipated revenue from the sale of this property.

RXR, talk about deals. They are no fools. He spent the money in the budget. They're saying, you know what? We sort of have you where we want you, don't we. You want that 15 million now - by the way, it was 25 - now you want the 15 million because you got to pay for the four million you already spent from the sale of this property. We're not going to go through with this - I guess that's what they said - unless you pay the \$97 million which, over the course of 30 years is some astronomical number. Glen Cove residents are you going to be paying - because this is a form of tax anticipation note - we are going to be paying through whatever taxes are supposedly coming from this project, which

2 who knows if and when it's going to be built
3 because there are, as the democratic caucus has
4 said, many interesting issues out there,
5 including the environmental issues which, quite
6 frankly, I don't believe have been resolved.

7 They say, okay, you want your 25 which is
8 now 15 and the four million you've spent, here's
9 the deal: You now pay for the \$97 million in
10 amenities. What kind of administration is that?
11 It's a gift. I, quite frankly, think you should
12 take a good look at this.

13 You've heard all these numbers - \$600
14 million. If the thing is ever built and then
15 down the road, yeah, you're going to get all this
16 tax revenue. I understand that for the first 30
17 years there's zero tax revenue that the City is
18 going to receive.

19 I ask you to take a look at it. I
20 haven't spoken here in, how many years, quite a
21 while. To me, I want you to look at it. It's a
22 pretty basic issue. And I don't think you should
23 lend an automatic imprimata to this.

24 The builder was supposed to pay \$97
25 million worth of amenities. Now, all of a sudden

2 the City is paying it. That is a gift. I think,
3 quite frankly, it's illegal.

4 CLERK PULITZER: Sir, your three minutes
5 have expired.

6 JUDGE DERIGGI: You have a binding
7 contract - a binding contract and all of a sudden
8 it's changed so that instead of RXR paying \$97
9 million the City of Glen Cove is. Just take a
10 look at it. It's quite fantastic. You hear 600
11 million, 400 million, take a look at it.

12 Thank you.

13 CHAIRMAN NICOLELLO: Thank you. Mayor
14 Spinello, I think you wanted to respond.

15 MAYOR SPINELLO: Just very quickly. The
16 price of the - the sale price of the property was
17 \$15 million when I took over the administration.

18 Secondly, if the redeveloper wanted to
19 walk away then there wouldn't be any default on
20 the City's part so that would be fine for the
21 City. So that whole premise is incorrect.

22 CHAIRMAN NICOLELLO: I'll call the next
23 speaker.

24 Carol Paral (Phonetic).

25 Okay. You're going to pass.

Amy Marion.

MS. MARION: I would ask for a waiver of the limited three minutes considering that I had to go out of Chambers to actually track down the resolution that you're looking at. I'm not even sure how the public could appropriately comment when the public is not even given the documents upon which you're even meeting and discussing. I looked on the website today, it was unavailable. I came here, it was not in the chambers. I had to go and ask somebody to actually get a copy of the resolution, which I got a copy of. And I'm asking that this not be included in my three minutes. And now I had to sit here in the middle of these meetings and gleam through these documents.

Most importantly, and what really is paramount for all of you, is that the master tax agreement upon which the resolution you're being asked to vote on is dated as of August 1, 2016. Additionally, in the resolution it specifically says that this has been deemed a Type 2 action under SEQRA. I have to tell you that that is absolutely incorrect. And Nassau County, you are

all being asked to vote on this and you are all being asked to say that this doesn't have a significant effect or there is no significant effect and that's what it is a Type 2 action. It's completely incorrect. It violates the final environmental impact statement that was voted on, that is presently being challenged in litigation, amongst which Nassau County is a responded defendant who is in default for not even having responded to the lawsuit.

Additionally, the public was not made aware of this. As Legislator DeRiggi said, what was presented to the public is that RXR was going to pay for the public amenities. Granted, I am here and I am an attorney and I represent over 100 plaintiffs in a litigation, plaintiffs who are from the Village of Sea Cliff, the City of Glen Cove, the Hamlet of Glen Head, Locust Valley, Roslyn Harbor. Additionally, I am a lifelong Nassau County resident and I live in the Village of Sea Cliff. I raised my children swimming and sailing in those waters, which this summer was the first summer in all my years living there I have not been swimming. Why?

Because what I've read.

The contamination is still there. The DEC and the EPA have not fully remediated these lands and all of the parcels. There still exists radioactive slag on the bulkhead. The bulkhead, according to Mr. Zaron (phonetic), who is the City's attorney but yet presented the application for RXR at the public hearings, ethical conflicts beyond my understanding. However, he said that the bulkhead was going to cost \$200 million. So when Mr. Spinello presents to you that \$40 million was invested by RXR - and that's something that we should look at. If you actually read the land development agreement - and probably I'm one of the only person who has read every appendices to the FEIS, every single land development agreement, every single urban renewal plan that the City of Glen Cove has had since 1972, and I am telling you that this completely deviates and violates any sort of presentation that was ever made to the City of Glen Cove and the surrounding public.

How does this - and I believe that
Legislator DeRiggi was interrupted because she

2 started talking about the finances for Glen Cove.
3 However, it's paramount and it's absolutely
4 relevant to your decision, the finances of Glen
5 Cove, because what you're being asked to vote on
6 here is to waive any Nassau County - I'm a Nassau
7 County taxpayer. You're asking to waive those
8 payments, to let them go back to Glen Cove to
9 allow the Glen Cove agency, the IDA, to then
10 redistribute and change the proportions -

11 CLERK PULITZER: Ma'am, your three
12 minutes are up.

13 MS. MARION: I'm going to ask that I be
14 allowed more time, with all due respect.

15 CHAIRMAN NICOLELLO: You've spent most
16 of your time talking about things that have
17 nothing to do with the actual allocation issue
18 which is before us. But if you could just sum up
19 what your argument is, we'd appreciate it.

20 MS. MARION: I'll try to sum up. But
21 with all due respect, I've read the resolution
22 and I've read the documents while I was sitting
23 here, and what I was talking about is exactly
24 what this is. You're being asked to vote on, the
25 fact that this is a Type 2 action under SEQRA;

2 it's not. You're being asked to vote on a tax
3 agreement that was not presented to the public.
4 The public has to first look at it. You have not
5 been given the financials to even be able to vote
6 on this. The financials that were presented to
7 you were completely incorrect. What's going on
8 here is that they're saying to you that this is
9 money coming to Nassau that Nassau would have
10 never gotten because this land has been laying
11 there and it has not been on the tax rolls. The
12 entire project was based on getting this property
13 on the tax rolls.

14 All of this money that is guaranteed to
15 the County and the City on the tax rolls - I'm
16 sorry if I'm boring you but it didn't seem like
17 you looked like that when Mayor Spinello was
18 going on and on. It really is public comment.
19 And it's kind of insulting that I have you
20 breathing out and sighing as if -

21 CHAIRMAN NICOLELLO: I'm not allowed to
22 breathe up here. What are we talking about? I
23 asked you to sum up and you obviously can't. So
24 I thank you for coming and your comment.

25 MS. MARION: I'm going to ask that I be

2 given more time.

3 LEGISLATOR DeRIGGI-WHITTON: Actually,
4 the other speaker allotted her time to her, so
5 that's six minutes.

6 CHAIRMAN NICOLELLO: She's an attorney.
7 She's representing her clients. She's making her
8 points, most of which should be made -

9 MS. MARION: I am a lifelong Nassau
10 County taxpayer, with all due respect. A
11 lifelong Nassau County resident, and I ask that I
12 be given the respect that I've sat here for four
13 hours -

14 CHAIRMAN NICOLELLO: Everyone else comes
15 up and speaks -

16 MS. MARION: 1:00 p.m. you were supposed
17 to convene here. I waited here for you to get in
18 here for a half hour. Given some decency to the
19 other public and the public here.

20 CHAIRMAN NICOLELLO: What do you define
21 as decency?

22 MS. MARION: Decency?

23 CHAIRMAN NICOLELLO: Yeah.

24 LEGISLATOR SOLAGES: Can we focus on the
25 issue?

2 CHAIRMAN NICOLELLO: I was trying to
3 focus on the issue.

4 MS. MARION: Your expressions, I'm
5 sitting here looking at you and you're like
6 gasping and exasperated by my even having a
7 discussion.

8 CHAIRMAN NICOLELLO: You're making be
9 exasperated now, I wasn't before.

10 I thought your comments were fine. I
11 didn't think they were relevant. If you saw me
12 making a different kind of face, I'm sorry you
13 misinterpreted it. I was just hopeful that you
14 would just get to the point and finish up but you
15 haven't.

16 MS. MARION: But what I'm saying - and I
17 guess that's the problem, you're saying my
18 comments aren't on point, but I read the
19 resolution and they actually are on point because
20 it's exactly what you're being asked to vote on.

21 CHAIRMAN NICOLELLO: You've said that
22 many times. I thank you for coming and making
23 your remarks. We appreciate it. We will have a
24 meeting in a week and you will be invited to come
25 back as well at that time.

2 MS. MARION: I would just ask, since you
3 asked for summing up, that you need to understand
4 here that you're asking to allow a \$17 billion
5 company to be given PILOTs for public amenities.
6 And what's happening here is that the developer
7 is being given money for public amenities. What
8 was created in Glen Cove was the Glen Cove Local
9 Economic Assistant Corporation who is going to be
10 issuing the bonds that you're voting on. It's a
11 non-for-profit corporation. It cannot be used
12 for private purposes so it's violates the law,
13 and I would ask that -

14 CHAIRMAN NICOLELLO: Thank you. Thank
15 you.

16 MS. MARION: look into all of that
17 before you make your -

18 CHAIRMAN NICOLELLO: Thank you.

19 MS. MARION: decisions. I would also
20 respectfully -

21 CHAIRMAN NICOLELLO: Thank you.

22 MS. MARION: I am summing up.

23 CHAIRMAN NICOLELLO: This is not summing
24 up. It's equally as long as to what you said
25 before.

2 MS. MARION: I am respectfully
3 requesting that the documents upon which you vote
4 on next week be provided to the public at least
5 24 hours ahead of time on the website so that the
6 public can be informed before making public
7 comments.

8 Thank you.

9 CHAIRMAN NICOLELLO: They're posted on -

10 LEGISLATOR DeRIGGI-WHITTON: Mr.

11 Nicolello, I appreciate you being courteous to
12 one of my residents. She's highly respected. I
13 really think that -

14 CHAIRMAN NICOLELLO: Thank you very
15 much.

16 LEGISLATOR DeRIGGI-WHITTON: I also
17 wanted to just mention that I don't know how this
18 is going to be on next Monday because it's a
19 seven-day rule and this was just posted. Not 24
20 hour notice. Legally you're supposed to have
21 seven days. So this is clocked in at -

22 CHAIRMAN NICOLELLO: The attorneys can
23 discuss that. I could tell you one thing. After
24 sitting through this I can understand how that
25 property has not been developed for 25 years.

Any other discussion?

(No verbal response.)

Any public comment? Meta Mereday.

MS. MEREDAY: I'm just happy there's somebody else here in the public that comes up and speaks to this because I'm getting tired of being one of the few voices.

I applaud the residents from Glen Cove who took the time out of their day and, trust me, this goes on all the time. If you want to see how your tax dollars are spent, show up here on a regular basis.

Questions, I'm just putting them out there. I will try to stay within my three minutes. But, then again, I'll keep talking if he says I'm done.

Toxicity levels and the impact of the plume potentially in this area if it's already designed as a Brownfield. We talked earlier about, you know, we're all on board with the importance of water. But if we're already talking about a contaminated location that's been contaminated for a number of years, we can't just readily decide we're going to scrape up a couple

2 of layers of dirt, throw some lime or whatever
3 and it's good to go and that the local residents
4 are not going to continue to be impacted. Plus,
5 you're also talking about a waterworks area. So
6 now we have the Long Island Sound potentially
7 also being contaminated. We need to look at all
8 of those.

9 Again, unfortunately, if you all don't
10 show up and bring bus loads from Glen Cove down
11 here next week, they're going to vote for it.
12 Okay. So for all of your passion and information
13 which you're sharing, they're going to vote for
14 it. You might have your two or three jobs or
15 not. You might want to go on vacation for a
16 change. But you need to be here to be heard and
17 at least maybe make a difference. If that
18 doesn't work, have a press conference, because
19 the only other way it's going to get done is
20 *Newsday*.

21 So, Mr. Budnick, who had to leave earlier
22 if I would, again, ask as far as the potential
23 impact from the plume and with regard to the
24 toxicity level, what kind of testing has been
25 done. As it was mentioned earlier, they are

still awaiting the reports from the DEC and the EPA. That should make everybody nervous, that you want to approve anything that has to do with additional money. And you all know what my issue is since I heard that we're talking about federal funds.

Again, we talk about the promises of these sales tax, the revenue, etcetera, for these projects. How many shopping centers are we going to have in Nassau County? And how many tax breaks is RXR going to get? When are they ever going to pay taxes? Because they're looking for tax breaks. They're involved with the Coliseum project. They're looking for tax breaks as it pertains to this. If it's supposed to be profit in lieu of taxes or payment in lieu of taxes, if they're not paying the 97 that's on their contractual obligation to pay, what is their responsibility to pay? Because the only ones I seem to hear about paying more are the taxpayers. But if you are going to continue to award this - and I know RXR, they got their fingers in so many pots. The vetting process, I would love to just be a fly on the wall with this vetting process

2 because -

3 CLERK PULITZER: Ma'am, your three
4 minutes are up.

5 MS. MEREDAY: there isn't one. Always.
6 I am just curious as to what the vetting process
7 is with regard to this project.

8 Again, how many laws are going to be
9 violated when this project moves forward and
10 you're not including veterans and, particularly,
11 service-disabled veterans, three percent
12 mandated, federal law. Because I know we got
13 that \$40 million-plus litigation fund that we got
14 to keep adding attorneys to pay for, but we got
15 those close to 60 in the county attorney's office
16 but every week we're adding another ten.

17 Don't worry. I'm finished, sir. I'm
18 done.

19 CHAIRMAN NICOLELLO: Any other public
20 comment?

21 (No verbal response.)

22 Hearing none, I just ask the Finance
23 Committee members to vote at this time.

24 All in favor of Item 268-16 please
25 indicate by voting aye.

2 (Aye.)

3 Those opposed?

4 (Nay.)

5 The item passes four to three and moves
6 on to the Rules Committee.

7 We'll go back to the regular calendar.

8 Item 216-16 is a bond ordinance providing
9 for a capital expenditure to finance the capital
10 projects identified herein within the County of
11 Nassau and authorizing \$2.2 million of the bonds
12 of the County of Nassau to finance such
13 expenditure.

14 LEGISLATOR WALKER: So moved.

15 LEGISLATOR MACKENZIE: Second.

16 CHAIRMAN NICOLELLO: Moved by Legislator
17 Walker, seconded by Legislator MacKenzie.

18 This is the traffic signal expansion.

19 Ms. Goetz.

20 MS. GOETZ: We have Ken Arnold here from
21 DPW.

22 CHAIRMAN NICOLELLO: Thank you.

23 MR. ARNOLD: Good afternoon. 216-16 is
24 bond ordinance to fund a capital project for \$2.2
25 million for the county's portion of a state grant

2 to rehabilitate and improve the traffic signal
3 infrastructure on Middle Neck and Lakeville Road.
4 Without this bond ordinance the county can't
5 proceed with construction. We have state
6 funding. We are at risk of losing the funding or
7 a part of the funding if we don't proceed with
8 the contracts.

9 CHAIRMAN NICOLELLO: Middle Neck and -

10 MR. ARNOLD: Lakeville Road.

11 CHAIRMAN NICOLELLO: Any questions for
12 Mr. Arnold? Legislator Curran.

13 LEGISLATOR CURRAN: How much federal
14 money is at risk of losing here?

15 MR. ARNOLD: The whole project is worth
16 - we're on the New York State tip for 4.6 or 80
17 percent of that figure.

18 LEGISLATOR CURRAN: I'm sorry. Say that
19 again.

20 MR. ARNOLD: Eighty percent of \$4.6
21 million.

22 LEGISLATOR CURRAN: Okay.

23 CHAIRMAN NICOLELLO: Any other questions
24 for Mr. Arnold?

25 (No verbal response.)

2 Any public comment?

3 LEGISLATOR BYNOE: Excuse me. I have a
4 question.

5 CHAIRMAN NICOLELLO: Sure. I'm sorry.
6 Legislator Bynoe.

7 LEGISLATOR BYNOE: Hi, Mr. Arnold.

8 MR. ARNOLD: How are you?

9 LEGISLATOR BYNOE: Is there an
10 expiration date for this federal grant money?

11 MR. ARNOLD: The state looks at our
12 obligations on a quarterly basis. So come this
13 September when we sit down with them again, I
14 believe they're going to ask us where we are with
15 the projects. If we don't show any progress, I
16 would anticipate that - they keep warning us that
17 if we don't move projects they will take some of
18 the obligation away. Sometime early fall I would
19 expect this to be an issue.

20 LEGISLATOR BYNOE: And progress is
21 defined as?

22 MR. ARNOLD: Moving the construction
23 contracts out into the street and getting work
24 started. We met with them last week. We told
25 them we were hoping to issue notice for award

2 soon. If we go back with the same conversation
3 in September I would think they're going to have
4 some reaction to that.

5 LEGISLATOR BYNOE: Thank you.

6 CHAIRMAN NICOLELLO: Thank you. Any
7 other questions?

8 (No verbal response.)

9 Any public comment?

10 (No verbal response.)

11 I'm going to call the item. All in favor
12 of 216-16 indicate by voting aye.

13 (Aye.)

14 Those opposed?

15 (Nay.)

16 (Abstain.)

17 It passes four ayes, two nos, and one
18 abstention.

19 Item 218-16 is a bond ordinance providing
20 for a capital expenditure to finance the capital
21 projects identified herein within the County of
22 Nassau and authorizing \$1 million of bonds of the
23 County of Nassau to finance said expenditure.

24 LEGISLATOR WALKER: So moved.

25 LEGISLATOR MACKENZIE: Second.

2 CHAIRMAN NICOLELLO: Moved by Legislator
3 Walker, seconded by Legislator MacKenzie.

4 Again, Mr. Arnold.

5 MR. ARNOLD: 218 is very similar as 216
6 with the exception that this is associated with
7 pavement markings on county roadways. Again, the
8 county has a state contract where they receive
9 funding which they are looking to issue notice of
10 award on and move forward. Also, some of this
11 money is also used for our general capital
12 infrastructure on pavement marks as they are
13 required to be replaced through their wearing
14 away. But the immediate concern is the state
15 contract that the department cannot move forward
16 on. Again, it fits in the same timeframe as the
17 previous contract.

18 CHAIRMAN NICOLELLO: Let me just ask
19 you. Currently, the funds that are available for
20 pavement markings, is there a problem? Obviously
21 we want this to go forward. But how imminent is
22 this problem?

23 MR. ARNOLD: We've bid the contract. I
24 think we came to this body with the contract and
25 now it's sitting on the shelf waiting for the

2 funding to move to notice of award.

3 CHAIRMAN NICOLELLO: We're going to have
4 difficulty getting our streets marked.

5 MR. ARNOLD: Yes.

6 CHAIRMAN NICOLELLO: Unless this goes
7 forward.

8 MR. ARNOLD: Yes. Again, with the 80
9 percent we could possibly lose some of that
10 funding.

11 CHAIRMAN NICOLELLO: Any discussion?
12 Legislator Walker.

13 LEGISLATOR WALKER: Just a comment. I
14 know that I get calls day in and day out from
15 residents requesting that new pavement markings
16 be put down because they've worn out, especially
17 in areas or intersections that are very, very
18 busy and obviously without those pavement
19 markings could be detrimental and cause accidents
20 because people don't follow the rules of what
21 they're supposed to do.

22 MR. ARNOLD: The funding that we do
23 have, we're focusing on the crosswalks and stop
24 bars for the start of school. There is some
25 funding but not enough to award the state

2 contract.

3 CHAIRMAN NICOLELLO: Okay. Any other
4 questions or discussion? Legislator Curran.

5 LEGISLATOR CURRAN: So there is federal
6 money at risk and state money as well in this
7 one?

8 MR. ARNOLD: It's federal pass through.

9 LEGISLATOR CURRAN: Federal pass
10 through. And how much is that?

11 MR. ARNOLD: Probably somewhere around
12 \$700,000.

13 CHAIRMAN NICOLELLO: Any other
14 questions?

15 (No verbal response.)

16 Any public comment?

17 (No verbal response.)

18 All in favor of this item signify by
19 saying aye.

20 (Aye.)

21 Those opposed?

22 (Nay.)

23 (Abstain.)

24 It's four-two-one. It passes and moves
25 on to Rules.

2 Item 219-16 is a bond ordinance providing
3 for a capital expenditure to finance the capital
4 projects identified herein within the County of
5 Nassau and authorizing \$1,509,000 million of
6 bonds of the County of Nassau to finance said
7 expenditure.

8 LEGISLATOR WALKER: So moved.

9 LEGISLATOR MUSCARELLA: Second.

10 CHAIRMAN NICOLELLO: Moved by Legislator
11 Walker, seconded by Legislator Muscarella.

12 MR. ARNOLD: Again, this is a very
13 similar project associated with bridge painting.
14 The department has bid a contract to paint two
15 bridge in Mitchel Field. Eighty percent
16 reimbursement by the state. Again, we indicated
17 to the state that we're looking to issue a notice
18 of award, pending the approval of the funding.
19 We'd hate to have some of that funding be in
20 jeopardy if we have the same status back in our
21 September meetings.

22 CHAIRMAN NICOLELLO: Okay. Any
23 questions for Mr. Arnold? Legislator Curran.

24 LEGISLATOR CURRAN: I'll ask again about
25 this one. How much federal money is at risk in

2 this one?

3 MR. ARNOLD: I believe it's around \$4
4 million.

5 LEGISLATOR CURRAN: Four million. Okay.
6 And you said in September when you meet with them
7 if you don't have the county portion, what do you
8 think might happen?

9 MR. ARNOLD: I would expect that they're
10 going to ask what is the hold up. They've warned
11 us in the past when our projects have been
12 delayed and our projects get delayed based on our
13 procurement durations, they've warned us that
14 they're looking at some point to take a
15 percentage of that obligation away.

16 LEGISLATOR CURRAN: Got it. Thanks.

17 CHAIRMAN NICOLELLO: Legislator Bynoe.

18 LEGISLATOR BYNOE: Mr. Arnold, you are
19 saying that these dates are arbitrary, like there
20 is no definitive end date for recapture of
21 federal funds in the event that they are not
22 utilized?

23 MR. ARNOLD: The state has, we have an
24 obligation date to get a design package approved,
25 which is typically September of any year, the

2 year that the funding is due. Then we have to
3 spend part of that spending within the first year
4 and then submit a bill every year thereafter to
5 keep the funding alive.

6 These projects were already bid. We
7 submitted a bill for the bidding process. So if
8 the state does not see a bill come in within a
9 year's timeframe for some of the construction
10 activities is when they threaten to de-obligate
11 some of the funding. These jobs will have an
12 issue September because -

13 LEGISLATOR BYNOE: Can you actually
14 provide - I hear you. But I would like to have
15 something in writing, an actual schedule of the
16 timeline as it relates to each project and each
17 grant.

18 MR. ARNOLD: As I mentioned, some of
19 these projects are already delayed because of our
20 procurement duration so we might already be
21 passed the due points for some of these things.
22 The lengthening of this process is just going to
23 make the matters worse.

24 LEGISLATOR BYNOE: So the procurement -
25 but the federal government is well aware that

2 these grants require municipalities to go through
3 a procurement process. And I don't think our
4 procurement process is that much more, you know,
5 extensive than any other municipality. So I'm at
6 a loss as to why we would be so delayed. But, in
7 any event, if you could just give us a schedule
8 from the time we received the grant, the grant
9 issue date, and the associated timelines that
10 would be helpful for not only me but I think my
11 colleagues.

12 Thank you.

13 CHAIRMAN NICOLELLO: Could you share
14 that with all of us, Ken?

15 MR. ARNOLD: Yep.

16 CHAIRMAN NICOLELLO: Okay. Legislator
17 DeRiggi-Whitton.

18 LEGISLATOR DeRIGGI-WHITTON: Hi, Ken.
19 Could you give me the figure that we've paid back
20 so far this year?

21 MR. ARNOLD: Paid back to what?

22 LEGISLATOR DeRIGGI-WHITTON: The federal
23 government.

24 MR. ARNOLD: For what project?

25 LEGISLATOR DeRIGGI-WHITTON: For any

2 project.

3 MR. ARNOLD: As I mentioned, they've
4 threatened us of returning money. We have not
5 returned any money this year.

6 LEGISLATOR DeRIGGI-WHITTON: So we have
7 not returned. How about the year before?

8 MR. ARNOLD: I'd have to go back and
9 look. There might have been some issue that we
10 might have had to return some money.

11 LEGISLATOR DeRIGGI-WHITTON: But you
12 don't recall anything?

13 MR. ARNOLD: No.

14 LEGISLATOR DeRIGGI-WHITTON: So in the
15 last two years there is nothing you can recall
16 that's been drawn back by the federal government?

17 MR. ARNOLD: Like I said, this is - in
18 meetings they have worked this up to our
19 attention that at some point they'll be looking
20 to de-obligate. I believe it's a pass-through
21 conversation from the federal level.

22 LEGISLATOR DeRIGGI-WHITTON: Yeah. But
23 it hasn't happened in two years. Thank you.

24 CHAIRMAN NICOLELLO: Let me just note
25 that this situation is kind of unique.

2 LEGISLATOR MACKENZIE: In the past two
3 years the bonding was passed without being a
4 political partisan issue. Isn't that fair to
5 say?

6 MR. ARNOLD: That is correct. Our other
7 projects have moved along. If we would have
8 given money back in our other projects, it might
9 have been something that was done in the
10 construction phase of work that they disagreed
11 with. It wouldn't be part of the procurement -

12 LEGISLATOR DeRIGGI-WHITTON: There have
13 been projects that we've had to wait to bond on
14 for numerous times, including West Shore Road the
15 first two times.

16 MR. ARNOLD: West Shore Road was never
17 funded through a state grant.

18 LEGISLATOR DeRIGGI-WHITTON: It did take
19 quite a while to get that passed the first two
20 times. But anyway, thank you.

21 MR. ARNOLD: But it was not funded
22 through New York State pass through.

23 CHAIRMAN NICOLELLO: Any other questions
24 for Mr. Arnold?

25 (No verbal response.)

Any public comment?

MS. MEREDAY: I have a quick comment.

CHAIRMAN NICOLELLO: Sure.

MS. MEREDAY: I'll just encapsulate it all. Again, it would just be helpful for the public - because, again, you all had the information, how you choose to use it or vote for it. When you talk about it in your caucus, because it doesn't really seem that when you come before the public that you change up any aspect. It's kind of consistent with what this side is going to do. It's consistent with what that side is going to do.

For those of us out here - I don't know what that gong is. Is it prayer time? Because I probably need to do that too.

If I could just suggest that when these presentations are made as it pertains to contracts, it would definitely be helpful for those of us out here who are trying to fight for diversity and inclusion, if we have an idea that the contracts that involve federal and state money, that the vendor has, through this vetting process, what that vendor is. A majority firm

2 that is doing X, Y, and Z in terms of - again, if
3 we're talking about transparency the information
4 is still not being brought to the table. Great,
5 we know that the \$4 million of federal funding
6 that's involved. But it would be helpful for
7 those of us to know that this company has
8 achieved XY goal.

9 I don't know how many of you have been
10 exposed to the corporate procurement process.
11 But when you deal with contracts of that level
12 from the private sector, you have that
13 information. I'm aware of that because I have
14 done the diversity audits for major corporations.
15 So I am aware when you make the presentations
16 about those contracts that you talk about the
17 breakdown and the outreach as it pertains to the
18 inclusion of minority, women, and veteran-owned
19 businesses. And the fact that service-disabled
20 veteran-owned businesses are required for at
21 least three percent - or at least a good faith
22 effort, good faith effort. Just advertising in
23 Newsday and on the website that I don't know if
24 it's been updated but it's very difficult to
25 maneuver to get through, and most people, unless

2 you are an established vendor, wouldn't know
3 where to actually go to find out about these
4 opportunities. That's not being inclusive of
5 other people.

6 The training components. Again, this
7 county is losing out on potential funding. Ya'll
8 run PILOTS like, you know, 20 going north. We're
9 just paying on this promise of payments down the
10 road. The residents are running out of town
11 while we're waiting for these payments down the
12 road because we're not taxing these same
13 developers and larger institutions that are
14 squeezing us dry on a regular basis.

15 All I'm asking - because I don't see the
16 -

17 CLERK PULITZER: Your three minutes are
18 up, ma'am.

19 MS. MEREDAY: Got it. I'm just about
20 done. I don't hear the question being asked here
21 when the public has the only opportunity here
22 what are our elected officials are doing that ask
23 the question about the inclusion. What are we
24 doing about the brain drain? How many students
25 have we kept on Long Island because we're giving

2 them credible jobs? Getting \$5 an hour working
3 at a retail facility that nobody can afford to go
4 to because we got ten five miles away from each
5 other is not credible investment for me and it
6 should not be credible for you, the majority that
7 keeps voting for this stuff and then it's not
8 generating anything for us but more taxes.

9 Thank you.

10 CHAIRMAN NICOLELLO: Thank you.

11 Any other public comment?

12 (No verbal response.)

13 All in favor of Item 219-16 signify by
14 saying aye.

15 (Aye.)

16 Those opposed?

17 (Nay.)

18 Abstentions?

19 (Abstain.)

20 So it passes four-two-one.

21 Item 258-16 is an ordinance supplemental
22 to the annual appropriation ordinance in
23 connection with the medical examiner.

24 LEGISLATOR WALKER: So moved.

25 LEGISLATOR MACKENZIE: Second.

2 CHAIRMAN NICOLELLO: Moved by Legislator
3 Walker, seconded by Legislator MacKenzie.

4 That item is before the committee.

5 Any discussion?

6 (No verbal response.)

7 Any public comment?

8 (No verbal response.)

9 All in favor signify by saying aye.

10 (Aye.)

11 Those opposed?

12 (No verbal response.)

13 The item carries unanimously.

14 Item 259 is not being called.

15 260-16 is a bond ordinance providing for
16 a capital expenditure to finance the capital
17 projects identified herein within the County of
18 Nassau and authorizing \$5 million of bonds of the
19 county to finance such expenditure.

20 LEGISLATOR MUSCARELLA: So moved.

21 LEGISLATOR WALKER: Second.

22 CHAIRMAN NICOLELLO: Moved by Legislator
23 Muscarella, seconded by Legislator Walker.

24 That item is before the committee.

25 Mr. Arnold.

2 MR. ARNOLD: Item 260 is a capital bond
3 ordinance associated with our traffic
4 rehabilitation project. This is the contract
5 that we use for the installation of new traffic
6 signals, the modification, rehabilitation of
7 signals and also the related expenditures, like
8 speed awareness signs and other electronic
9 devices that are in our county roadways.

10 CHAIRMAN NICOLELLO: I'm going to
11 anticipate Legislator Curran's question and ask
12 you is there any federal or state reimbursement
13 for this?

14 MR. ARNOLD: Typically we do receive
15 CHIPS funding after we do work, but the work has
16 to be done in advance.

17 CHAIRMAN NICOLELLO: Any other
18 questions? Legislator Curran.

19 LEGISLATOR CURRAN: Are we in danger in
20 being out of compliance with the state if we
21 don't do some of this work?

22 MR. ARNOLD: Not with the state. It
23 just limits the department's ability to do work
24 associated with the traffic signal systems.

25 LEGISLATOR CURRAN: Thanks.

CHAIRMAN NICOLELLO: Legislator Bynoe.

LEGISLATOR BYNOE: Where are we in the bid process for this particular project?

MR. ARNOLD: This capital project is used in a lot of places within the department. There was an item that came before you today on a requirements contract that was for Edlor. This funding would be used for that contract for the replacement and putting in of new signals. We also use it for our maintenance contract, which will probably be in front of this body at next session. On our maintenance contract, we have what we call our time and material items where signal may be struck and not found. That would be a capitalized expense. We also use it for our county staff for capital back charges. We have consultants that we hire for design-related expenses and -

LEGISLATOR BYNOE: Wait.

MR. ARNOLD: also construction management services.

LEGISLATOR BYNOE: Can you go back? Chargeback for?

MR. ARNOLD: County employees that work

2 exclusively on this program have a capital back
3 charge.

4 LEGISLATOR BYNOE: How much do you think
5 of the \$5 million goes to that?

6 MR. ARNOLD: Capital back charge?

7 LEGISLATOR BYNOE: Yes.

8 MR. ARNOLD: We probably roughly utilize
9 about \$600,000 a year on the county capital back
10 charge.

11 LEGISLATOR BYNOE: Thank you, Mr.
12 Arnold.

13 CHAIRMAN NICOLELLO: Any other comments?

14 (No verbal response.)

15 Any public comments?

16 (No verbal response.)

17 Hearing none; all in favor signify by
18 saying aye.

19 (Aye.)

20 Those opposed?

21 (Nay.)

22 Abstentions?

23 (Abstain.)

24 It passes four to two to one.

25 261-16 is the road resurfacing bonding.

2 A bond ordinance providing for a capital
3 expenditure to finance the capital projects
4 identified herein within the County of Nassau and
5 authorizing \$26,200,000 of bonds of the County of
6 Nassau to finance such expenditure.

7 LEGISLATOR WALKER: So moved.

8 LEGISLATOR MACKENZIE: Second.

9 CHAIRMAN NICOLELLO: Moved by Legislator
10 Walker, seconded by Legislator MacKenzie.

11 The item is before the committee.

12 MR. ARNOLD: This is the capital bond
13 ordinance associated with the county's large
14 resurfacing program. This bond ordinance will
15 allow the county to proceed with various phases
16 of work that will get done later this fall and
17 into the spring of '17. Without this funding, we
18 cannot move on various phases of work that we
19 anticipated.

20 This contract is also used by the
21 department for capital back charges for the work
22 that our guys do internally and for our consult
23 engineers that both help design and do
24 construction management.

25 CHAIRMAN NICOLELLO: Thank you.

2 Any questions? Legislator Bynoe.

3 LEGISLATOR BYNOE: Can you give me - Mr.
4 Arnold, can you give me an idea of how much of
5 this \$26 million is used for these back charges?

6 MR. ARNOLD: Capital back charges for
7 this program is probably somewhere around
8 \$400,000 a year.

9 LEGISLATOR BYNOE: You know what
10 probably would be helpful? If I could understand
11 what was the back charge for the previous item
12 and this item in the last fiscal year.

13 MR. ARNOLD: Sure.

14 LEGISLATOR BYNOE: Thank you.

15 CHAIRMAN NICOLELLO: Legislator DeRiggi-
16 Whitton.

17 LEGISLATOR DeRIGGI-WHITTON: Thank you.
18 How many contracts does this involve?

19 MR. ARNOLD: I had sent both sides of
20 the aisle the various phases of work that was
21 going to be done. I could pull it out and look at
22 it and count them for you. But that
23 documentation was sent to you.

24 LEGISLATOR DeRIGGI-WHITTON: I'm sorry?

25 MR. ARNOLD: That documentation was

2 sent.

3 LEGISLATOR DeRIGGI-WHITTON: And how
4 many vendors? Do you know?

5 MR. ARNOLD: How many vendors do we
6 have?

7 LEGISLATOR DeRIGGI-WHITTON: With this
8 26 million.

9 MR. ARNOLD: Some of this work has not
10 been bid yet so I don't have a vendor. Right now
11 I believe there are one or two projects that are
12 pending that requires this work. I think Phase
13 50 is one of them, which would be with Carlos
14 Lizza. The rest of the contracts, I believe 155
15 that bid was cancelled. The rest of them have
16 not gone out to bid yet.

17 LEGISLATOR DeRIGGI-WHITTON: So there
18 could be many, many different vendors involved.

19 MR. ARNOLD: We typically receive three
20 vendors doing a lot of our resurfacing work,
21 doing the construction work.

22 LEGISLATOR DeRIGGI-WHITTON: And the
23 procurement would have to occur for all these
24 different vendors for all the different projects
25 for the 26 million?

2 MR. ARNOLD: Phase 50 we already
3 procured. Phase 55 is ready to be procured. I
4 believe there is one other phase ready to go out,
5 we're just waiting for the bond ordinance.

6 LEGISLATOR DeRIGGI-WHITTON: I wish we
7 had a little bit more reassurance, as far as
8 having an independent person look at these
9 contracts. \$26 million is a lot of money. And
10 we're ready to go ahead and do this, but the
11 system so far has not given us any security.
12 We're hoping that this will come to an end
13 shortly with hopefully our referendum.

14 CHAIRMAN NICOLELLO: Just one follow-up
15 question. With respect to all the vendors that
16 will be subject to sealed bids, that's the
17 process the county follows.

18 MR. ARNOLD: Yes.

19 CHAIRMAN NICOLELLO: Any other
20 discussion?

21 (No verbal response.)

22 Any public comment?

23 (No verbal response.)

24 All in favor signify by saying aye.

25 (Aye.)

Those opposed?

(Nay.)

Those abstaining?

(Abstain.)

Passes four to two to one.

262-16 is a bond ordinance providing for a capital expenditure to finance the capital projects identified herein within the County of Nassau and authorizing \$1 million of bonds of the County of Nassau to finance said expenditure.

LEGISLATOR MACKENZIE: So moved.

LEGISLATOR WALKER: Second.

CHAIRMAN NICOLELLO: Moved by Legislator MacKenzie, seconded by Legislator Walker.

This is for traffic studies.

MR. ARNOLD: Yes. 262-16 is for our traffic studies capital project. The department receives hundreds of hundreds of complaints related to signal issues, signage issues, pavement marking issues, dangerous intersections. This capital project is utilized by both in-house county employees and consultants to study the work to bring it to a pre-design phase.

CHAIRMAN NICOLELLO: Any questions for

2 Mr. Arnold?

3 (No verbal response.)

4 Any public comment?

5 (No verbal response.)

6 Hearing none; all those in favor signify
7 by saying aye.

8 (Aye.)

9 Those opposed?

10 (Nay.)

11 Abstentions?

12 (Abstain.)

13 It passes four-two-one. That item
14 passes.

15 Items 263 and 265 are executive session
16 items which we will call later.

17 Item 269-16 is not being called at this
18 time.

19 I am calling the next several items -
20 273, 274, 275, 276, 277, 278, 279, 280, and 281.
21 These are resolutions to authorize the county
22 assessor and/or the county treasurer and/or
23 receivers of taxes of the Towns of Hempstead,
24 North Hempstead, Oyster Bay, and Long Beach to
25 correct erroneous assessments and taxes in

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2 accordance with petitions of the county assessor
3 on specific properties in various school
4 districts; also resolutions to authorize the
5 county assessor and/or the county treasurer
6 and/or the receivers of taxes of the Towns of
7 Hempstead, North Hempstead, and Oyster Bay to
8 partially exempt from real property taxation
9 certain real properties situated in various
10 school districts.

11 LEGISLATOR WALKER: So moved.

12 LEGISLATOR MUSCARELLA: Second.

13 CHAIRMAN NICOLELLO: Legislator Walker
14 moves it, Legislator Muscarella seconds it.

15 These items are before the committees.

16 Does anyone have any questions on these
17 items?

18 (No verbal response.)

19 No questions. Any public comment?

20 (No verbal response.)

21 All in favor signify by saying aye.

22 (Aye.)

23 Those opposed?

24 (No verbal response.)

25 Carries unanimously.

2 Item 284-16 is a resolution to authorize
3 the transfer of appropriations heretofore made
4 within the budget for the year 2016.

5 LEGISLATOR MUSCARELLA: So moved.

6 LEGISLATOR MACKENZIE: Second.

7 CHAIRMAN NICOLELLO: Moved by Legislator
8 Muscarella, seconded by Legislator MacKenzie.

9 That item is before the committee.

10 Any questions on this item, this transfer
11 of appropriations?

12 (No verbal response.)

13 Any public comment?

14 (No verbal response.)

15 All in favor signify by saying aye.

16 (Aye.)

17 Those opposed?

18 (No verbal response.)

19 That item carries unanimously.

20 285 is another executive session item
21 which we will hold for now.

22 290-16 is a resolution providing for the
23 issuance of a warrant directing the treasurer of
24 the County of Nassau to pay to the supervisors of
25 the several towns and to the treasurers of the

2 several villages and cities within the County of
3 Nassau, the sums as apportioned by the Nassau
4 County Legislature based on a report filed by the
5 County treasurer and the County Clerk, showing
6 deposits from mortgage taxes for the quarter
7 beginning April 1, 2016, through June 30, 2016.

8 LEGISLATOR MACKENZIE: So moved.

9 LEGISLATOR WALKER: Second.

10 CHAIRMAN NICOLELLO: Moved by Legislator
11 MacKenzie, seconded by Legislator Walker.

12 The item is now before the committee.

13 Any questions on this item?

14 (No verbal response.)

15 Hearing none; any public comment?

16 (No verbal response.)

17 All in favor signify by saying aye.

18 (Aye.)

19 Those opposed?

20 (No verbal response.)

21 The item carries unanimously.

22 We have an addendum. We need a motion to
23 suspend the rules.

24 LEGISLATOR WALKER: So moved.

25 LEGISLATOR MACKENZIE: Second.

2 CHAIRMAN NICOLELLO: Moved by Legislator
3 Walker, seconded by Legislator MacKenzie.

4 All in favor of suspending the rules
5 signify by saying aye.

6 (Aye.)

7 Those opposed?

8 (No verbal response.)

9 The rules are suspended.

10 Item 298-2016, a bond ordinance providing
11 for a capital expenditure to finance the capital
12 projects identified herein within the County of
13 Nassau and authorizing \$25,250,000 million of
14 bonds of the County of Nassau to finance such
15 expenditure.

16 LEGISLATOR WALKER: So moved.

17 LEGISLATOR MUSCARELLA: Second.

18 CHAIRMAN NICOLELLO: Moved by Legislator
19 Walker, seconded by Legislator Muscarella.

20 Mr. Arnold, I think this item is one for
21 you. Bonding. I believe it relates to pump
22 stations as well as Sea Cliff.

23 MR. ARNOLD: I'm sorry. This item is
24 the bond ordinance authorization for two
25 projects, one being the Sea Cliff sewers and the

2 second being various pump stations, many of which
3 are located up in the Glen Cove area.

4 The Sea Cliff sewer project, this bond
5 ordinance will allow the county to complete the
6 connection of the Sea Cliff installed sewer from
7 Sea Cliff Avenue to a pump station down off of
8 Shore Road, which will allow them to activate the
9 downtown sewers.

10 The pump station project is for \$21
11 million. We have various pump stations that
12 require rehabilitation. Some of the projects we
13 have bid out. Some projects are waiting to go
14 out to bid. When the funding is approved, this
15 will allow us to bring the Glen Cove pump
16 stations up to county standards. Currently, they
17 are limited to some of the hardening, things that
18 the county requires, and we have issues with
19 alarms and maintenance.

20 CHAIRMAN NICOLELLO: Any questions for
21 Mr. Arnold?

22 (No verbal response.)

23 Any public comment?

24 (No verbal response.)

25 All in favor signify by saying aye.

2 (Aye.)

3 Those opposed?

4 (Nay.)

5 Those abstaining?

6 It passes four-two-one.

7 I'm going to now call the executive
8 session items - 263, 265, and 285.

9 Do I have anyone who wants me to waive
10 the reading of these items?

11 LEGISLATOR DeRIGGI-WHITTON: So moved.

12 LEGISLATOR WALKER: Second.

13 CHAIRMAN NICOLELLO: Moved by Legislator
14 DeRiggi-Whitton, seconded by Legislator Walker.

15 There's been a waiving of the readings.

16 I now ask for a motion to go into
17 executive session.

18 LEGISLATOR WALKER: So moved.

19 LEGISLATOR MACKENZIE: Second.

20 CHAIRMAN NICOLELLO: Moved by Legislator
21 Walker, seconded by Legislator MacKenzie.

22 All in favor of executive session signify
23 by saying aye.

24 (Aye.)

25 Those opposed?

2 (No verbal response.)

3 We are in executive session.

4 (Whereupon, the Finance Committee
5 recessed at 5:21 p.m.)

6 (Whereupon, the Finance Committee
7 reconvened at 5:55 p.m.)

8 CHAIRMAN NICOLELLO: We are back from
9 executive session.

10 Legislator MacKenzie will be recusing
11 himself from Item 263 and will not be
12 participating further, will not be voting on this
13 item, etcetera.

14 Item 263-16, we've already had our
15 executive session. Any public comment?

16 (No verbal response.)

17 All in favor signify by saying aye.

18 (Aye.)

19 Those opposed?

20 (No verbal response.)

21 The item passes by a vote of six to
22 nothing.

23 Could somebody invite Legislator
24 MacKenzie back in?

25 Item 265-16 is before the committee.

2 Any public comment?

3 (No verbal response.)

4 All in favor of Item 265-16 signify by
5 saying aye.

6 (Aye.)

7 Those opposed?

8 (No verbal response.)

9 Passes unanimously.

10 Item 285. There was discussion in
11 executive session. The county attorney's office
12 will be providing us with additional information
13 with respect to the subject of the settlement.

14 Having said that; any public comment?

15 (No verbal response.)

16 All in favor signify by saying aye.

17 (Aye.)

18 Those opposed?

19 (No verbal response.)

20 It passes unanimously.

21 That ends the Finance Committee.

22 Do I have a motion to adjourn?

23 LEGISLATOR WALKER: So moved.

24 LEGISLATOR MACKENZIE: Second.

25 CHAIRMAN NICOLELLO: Legislator Walker

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2 moves it, Legislator MacKenzie seconds it.

3 All in favor of adjourning signify by
4 saying aye.

5 (Aye.)

6 The committee is adjourned.

7 (Whereupon, the Finance Committee
8 adjourned at 5:55 p.m.)

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C E R T I F I C A T E

I, FRANK GRAY, a Shorthand Reporter and
Notary Public in and for the State of New York,
do hereby state:

THAT I attended at the time and place above
mentioned and took stenographic record of the
proceedings in the above-entitled matter;

THAT the foregoing transcript is a true and
accurate transcript of the same and the whole
thereof, according to the best of my ability and
belief.

IN WITNESS WHEREOF, I have hereunto set my
hand this 10th day of August, 2016.

FRANK GRAY