

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: FINANCE COMMITTEE

DATE: SEPTEMBER 6, 2006

COMMITTEE MEMBERS PRESENT:

Supervisors Monroe
Belden
Stec
Bentley
Tessier
Champagne
Kenny

COMMITTEE MEMBERS ABSENT:

Supervisors O'Connor
VanNess

OTHERS PRESENT:

Joan Parsons, Commissioner of
Administrative & Fiscal Services
Paul Dusek, County Attorney
Joan Sady, Clerk, Board of Supervisors
Supervisors Caimano
Gabriels
Geraghty
F. Thomas
Julie Pacyna, Purchasing Agent
Pat Tatich, Director Planning & Community
Development
Richard Murphy, Deputy Commissioner of
Fiscal Services
Frank O'Keefe, County Treasurer
Maury Thompson, The Post Star
Amanda Allen, Legislative Office Specialist

Mr. Monroe called the meeting of the Finance Committee to order at 10:02 a.m.

Motion was made by Mr. Belden, seconded by Mr. Stec and carried unanimously to approve the minutes of the August 9th meeting, subject to correction by the Clerk.

Copies of the Finance Agenda were provided to the committee members, and a copy of same is on file with the minutes.

Mr. Monroe advised that the meeting would begin with a review of the agenda; he said that the first item of the agenda was a request for Transfer of Funds and noted that supervisory Committee approval had been obtained as necessary.

Motion was made by Mr. Belden, seconded by Mr. Bentley and carried unanimously to approve the request as outlined above and the necessary resolution was authorized for the September Board meeting. Copies of the Transfer of Funds request forms are included with the minutes.

Proceeding to the second agenda item Mr. Monroe referenced a referral from the DPW Committee which would amend Resolution No. 770 of 2005, authorizing the County Treasurer to close certain Capital Projects. He explained that due to additional expenditures that had occurred, Capital Project No. H248.9550 280- Glen Athol Culvert over No. 9 Brook was not closed. Mr. Monroe noted that it was necessary to close the

project again and amend the resolution which showed the project was closed on 12/13/05.

Motion was made by Mr. Champagne, seconded by Mr. Belden and carried unanimously to approve the request as outlined above and the necessary resolution was authorized for the September Board meeting. A copy of the request is on file with the minutes.

Mr. Dusek entered the meeting at 10:03 a.m.

Mr. Monroe apprised that items 3a and 3b were both referrals from the Federal Programs Committee and requested amendments to the 2006 County budget. Item 3a, he explained was a request submitted by the Employment and Training Administration to amend the 2006 County budget to increase estimated revenues and appropriations in the amount of \$25,000 to reflect receipt of WIA (Workforce Investment Act) funds. He said that item 3b was a request from Office for the Aging to amend the 2006 County budget to increase estimated revenues and appropriations in the amount of \$10,000 to reflect the receipt of grant funds allocated by the AAA Transportation program.

Motion was made by Mr. Kenny, seconded by Mr. Tessier and carried unanimously to approve items 3a and 3b as outlined above and the necessary resolution was authorized for the September Board meeting. Copies of the requests are on file with the minutes.

Items 4a and 4b of the agenda, Mr. Monroe apprised were referrals from the Planning and Community Development Committee. He noted that item 4a requested an increase to Capital Project No. H249.9550 280, First Wilderness Corridor 2005, in the amount of \$20,000, with the source of funding to come from Code A.8029.470. Mr. Monroe added that item 4b was a request to amend the 2006 County budget to increase estimated revenues and appropriations in the amount of \$516,000 to reflect the receipt of the grant award for the Gore Mountain Project.

Motion was made by Mr. Stec, seconded by Mr. Belden and carried unanimously to approve items 4a and 4b, as outlined above, and the necessary resolution was authorized for the September Board meeting. Copies of the requests are on file with the minutes.

Mr. Monroe stated that in speaking with Joan Parsons, Commissioner of Administrative and Fiscal Services, the question had arose as to whether Warren County was still receiving state funding for the First Wilderness Corridor. Mrs. Parsons said that she had not had the opportunity to research the issue but noted that the \$20,000 indicated in the request were matching funds for a grant that had been received previously. Mr. Monroe suggested that since the issue would addressed again in the September Board meeting, Pat Tatich, Director of Planning & Community Development, should be contacted for an update on the status of the First Wilderness Corridor funding.

Returning to the agenda, Mr. Monroe advised that items 5a and 5b were referrals from the Tourism Committee. Item 5a, he said, requested an amendment to the 2006 County

budget to increase estimated revenues and appropriations in the amount of \$660 to reflect receipt of Motorcoach & Group Tour Planner Advertising funds not originally budgeted. Mr. Monroe stated that item 5b requested an amendment to the 2006 County budget to increase estimated revenues and appropriations in the amount of \$6,220 to reflect the receipt of Travel Guide Ad Revenue not originally budgeted.

Motion was made by Mr. Belden, seconded by Mr. Bentley and carried unanimously to approve items 5a and 5b as outlined above and the necessary resolution was authorized for the September Board meeting. Copies of both requests are on file with the minutes.

Mr. Monroe apprised that the sixth item of the agenda was a referral from the Youth Programs Committee which requested an amendment to the 2006 County budget to increase estimated revenues and appropriations in the amount of \$600 to reflect the receipt of grant funds for ACT (Assets Coming Together).

Motion was made by Mr. Bentley, seconded by Mr. Champagne and carried unanimously to approve the request as outlined above and the necessary resolution was authorized for the September Board meeting. A copy of the request is on file with the minutes.

Item number seven, Mr. Monroe explained was a referral from the Board of Supervisors which requested a transfer of funds to the Medical Examiner and Coroner's budget in the amount of \$7,500, due to a shortfall in that budget code, with a source of funding to be determined.

Mr. Monroe noted that \$87,000 was left in Contingent Fund and could be used to cover the request. Mr. Stec asked how the shortfall had occurred and Mrs. Parsons advised that Glens Falls Hospital had raised autopsy rates after the budget was adopted and they were unable to plan for the increase. She added that the cost of an autopsy had been \$600 for a long time and the Hospital recently increased the charge to \$900 which was comparative to what other Hospitals were charging.

Mr. Champagne asked if a five year chart could be developed showing past autopsy charges and Mrs. Parsons advised that, taking the Ethan Allen incident into account, the chart would be skewed. Mr. Bentley asked if the autopsy charges could be covered by the deceased individuals health insurance, and Mrs. Parsons replied that autopsy charges were a County responsibility by law.

Mr. Monroe noted that a source of funding had not been determined and it was the consensus of the Committee that the funds should be taken from Contingent Fund.

Motion was made by Mr. Champagne, seconded by Mr. Stec and carried unanimously to approve the transfer of funds to the Medical Examiner and Coroner's budget in the amount of \$7,500, with funds to be transferred from Contingent Fund, and the necessary resolution was authorized for the September Board meeting. A copy of the request is on

file with the minutes.

Item number eight, Mr. Monroe stated, was a request from Julie Pacyna, Purchasing Agent, to address the committee regarding a transfer of equipment to the Town of North Creek Volunteer Fire Company. Mrs. Pacyna said that the Sheriff's Department had transferred six light bars to be sold on ebay and a DPW employee, who was also involved with the Town of North Creek Volunteer Fire Company, had inquired about them for the Volunteer Fire Company's use. She said that upon the DPW employees suggestion, the Fire Chief of the Town of North Creek had contacted her asking if they could purchase the light bars before they were listed on ebay. Mrs. Pacyna added that not all of the lights were in working order, however the Fire Chief was aware of that fact and was still interested in purchasing them. She asked if the light bars should be transferred free of charge or sold for a nominal fee, and Mr. Champagne suggested that they be transferred as a gift.

Paul Dusek, County Attorney, stated that the light bars could not be transferred free of charge as that was unconstitutional and a reasonable fee would have to be charged. Mr. Monroe added that the transfer could only be made free of charge if the equipment was being given to another municipality.

Mr. Geraghty stated that the Town of North Creek had a fire district which would qualify them as a municipality, legalizing the gift. Mr. Dusek agreed that the transfer was legal, considering that the fire district was considered a municipality. Mr. Monroe noted that the transfer would have to be made to the North Creek Fire District.

Motion was made by Mr. Champagne, seconded by Mr. Bentley and carried unanimously to approve the transfer of six light bars to the North Creek Fire District as a gift, and the necessary resolution was authorized for the September Board meeting. A copy of the request is on file with the minutes.

Returning to the agenda, Mr. Monroe advised that items 9a and 9b of the agenda were both requests from Mr. Dusek to address the Committee. Mr. Dusek stated that the first item he wished to discuss with the Committee was proposed Local Law No. 9 of 2006 which amended Local Law No. 3 of 2002, regarding revisions to the Empire Zone Boundaries. Mr. Dusek apprised that Local Law No. 9 would come before the Board at the September meeting to authorize a public hearing. He noted that the Law changed the boundaries of the Fort William Henry property and advised that apparently in 2002 when the original Local Law was written it missed parts of the foot prints of the building. The Empire Zone and Fort William Henry had asked that the changes be made, and Local Law No. 9 would simply appease that request.

Motion was made by Mr. Stec, seconded by Mr. Belden and carried unanimously to approve the request as outlined above and the necessary resolution was authorized for the September Board meeting.

Mr. Dusek said that the second issue he wished to address was the Gaslight Village property acquisition. He said that The Post Star had reported that both the Town and Village of Lake George had moved ahead with the process of acquiring the property. Mr. Dusek advised that the proposal, as he understood it, was for the Town and Village of Lake George to enter into an agreement to purchase the property that The Gaslight Village and The Waxlife Museum were located on. He added that an option contract with The Charles Wood Foundation, extending to December 31, 2006, in the amount of \$100,000 was included in the proposal; Warren County was to pay the fee, Mr. Dusek said. In addition, he said, there could be an extension to the agreement stretching the option contract to July of 2007 for an additional \$50,000; the proposal included that Warren County would pay that fee also, he noted.

The option contract, Mr. Dusek explained, would freeze the property so that it would be available for the Town and the Village of Lake George to buy and also making the property available for the Town and Village to perform an Economic Development Remedial Program on the property which would be funded by the Restore New York Grant program. He said that if the grant was received it would be used to remove the existing buildings and such to make the site economically buy-able. Mr. Dusek noted that if the property was not purchased, the sum paid for the option contract would not be refunded, nor would it be applied towards the purchase price of the property if it were purchased.

Mr. Dusek said that if the property were acquired, it would be done with the understanding that the site would be used for either park and recreation uses, a parking lot, open space conservation or, if a Public Authority were authorized, a portion of the property could be designated for Convention Center purposes. He noted that if a Public Authority were not authorized, the County may still have some interest in the site for the other purposes stated.

Mr. Dusek explained that if the parties proceed with the purchase of the property, the cost would be shared between the three parties with the Town contributing \$950,000, the Village paying \$950,000 and the County contributing the balance. He said that the County's share depended upon the actual purchase price and he noted that the current asking price was \$4.62 million; he added that the Village and the Town had approved \$4.1 million for the purchase price, making the County's share \$2.2 million. In order to proceed with the purchase, Mr. Dusek advised that there were necessary charges that must be incurred to hire an engineer who would investigate the property for environmental hazards and also for the SEQR (State Environmental Quality Review) process that would be required prior to the purchase of the property. He noted that additional expenses must be incurred to purchase the property and the proposal seemed to indicate that the County would be responsible for those costs.

Mr. Belden asked if a study were done and hazardous factors found, would DEC (Department of Environmental Conservation) allow grant funding for the removal of the pollutants, and Mr. Dusek replied that he was only aware of one available grant and that

was the Restore New York grant he had noted previously. He said that the funds could be used to clean up the property to make it more valuable prior to the purchase and he estimated the amount of the grant to be \$500,000. Mr. Dusek said that there were no grants available to aid in the purchase of the property.

Mr. Belden asked, if purchased, could the property be added to the Empire Zone and Mr. Dusek advised that there were steps that could be taken to add the property, although he said he did not see the benefits.

Mr. Kenny asked what the appraised value of the property was and Mr. Dusek replied that the appraisal commissioned by the Town, Village and County was \$4.13 million; however, he added, the sellers appraisal was \$4.62 million.

Mr. Belden noted that a building was needed for the Soil and Water Conservation District Office and if the purchase were made, the Waxlife Museum building might serve that purpose. Mr. Tessier stated that the Town of Lake George was interested in the building, and had been for the past ten years, and if they were paying for a portion of the property they would require the use of the building. Mr. Dusek advised that as the proposal was currently written, the Village and County would have joint ownership in The Gaslight Village property while the Town and County would jointly own the Waxlife Museum property. He suggested that a contract be developed between the parties, prior to the purchase, determining what each parcel would be used for.

Mr. Monroe asked why the matter had suddenly become urgent as the property had been available for some time and Mr. Dusek explained the Planning and Community Development Department advised that the application for the Restore New York grant had to be submitted by September 15th. He added that the application required that the Town and Village have an option contract in place giving them control of the site prior to applying for funding.

General discussion ensued.

Mr. Dusek summarized that initially the County was only interested in purchasing the property for use as a site to build a Convention Center. He said that over time the opinion had changed and the popular opinion became that the County should own the property regardless, even if it could only be used for a park or a parking lot. Mr. Dusek stated that if the Committee was not interested in purchasing the property for use as a park or parking lot then he did not recommend the purchase.

Mr. Monroe suggested that if the property were going to be used as a park they should let the State make the purchase and save the money.

Mr. Belden noted that \$100,000 had been budgeted for the purpose of entering into an option contract and that a source of funding would have to be determined for the additional \$50,000 if they were to extend the option to July 2007. Mrs. Parsons advised

that the funds would need to be transferred to the Board of Supervisors Contract code in order to enter into the contract.

Mr. Monroe stated that he thought there were too many unknown factors to proceed.

Motion was made by Mr. Belden and seconded by Mr. Bentley to transfer the \$100,000 budgeted to the Board of Supervisors Contract code (A.1040 470) and refer the issue to the full Board for further consideration. A roll call vote was taken and the motion was defeated with Mr. Stec, Mr. Champagne, Mr. Kenny and Mr. Monroe voting in opposition,

Mr. Monroe suggested that the seller be contacted and \$5,000 be offered to secure the option contract with the explanation that the \$500,000 in State grant funds would be used for the rehabilitation of the site, whether the property was purchased or not. The Committee agreed that this was a better solution, although they were sure that the seller would decline the offer. Mr. Stec stated that if the lower figure were offered the seller might counter with another reasonable offer.

Mr. Champagne expressed concern with the use of State grant funds to rehabilitate property that was not purchased by the Municipalities and wondered if there were any legal ramifications. Mr. Dusek responded that private land owners could also apply and benefit from the State grants, so there would be no legal issues if the funds were used to rehabilitate the site and the property was not purchased.

Mrs. Parsons asked when the grant awards would be announced and when they would be received. Mr. Stec replied that it was his impression that the funds would be received before the end of 2006.

General discussion ensued.

Mr. Stec asked if contamination were found on the property would the price of the property decrease and Mr. Dusek stated that if contamination were found he would advise the County not to purchase the property, although they would lose the monies paid for the option contract.

Mr. Champagne questioned the terms of the grant funding and Mr. Belden asked if Ms. Tatich could be contacted to come to the meeting to explain them. Mr. Monroe asked that Ms. Tatich be called, and advised that in the meantime the Committee would move forward with the agenda review.

Mr. Dusek advised that he had one final item to address, which was not included in the agenda, and that was the proposed Armory at the Queensbury Industrial Park. He explained that property in Queensbury had been acquired as the result of a tax foreclosure and at that time Warren County had entered into contract allowing the EDC (Economic Development Corporation) to sub-divide and market the property. Mr. Dusek said that when a parcel was sold it was transferred to the EDC and Warren County would

receive a minimal portion of the proceeds.

Mr. Dusek apprised that in speaking with the EDC he had learned that New York State was interested in building an Armory at the Queensbury Industrial Park, but only if the property desired could be gifted to them. As such, Mr. Dusek explained, the EDC had requested that the 14 acre lot, desired by the State, be transferred to them free of charge to be gifted to the State of New York.

General discussion ensued.

Ms. Tatich entered the meeting at 11:17 a.m.

Motion was made by Mr. Stec, seconded by Mr. Champagne and carried unanimously to approve the transfer of the requested property to the EDC, and in turn be transferred to the State of New York for the purpose of building an Armory, and the necessary resolution was authorized for the September Board meeting.

Mr. Monroe noted that Ms. Tatich was in attendance and the Committee would return to discussion of the acquisition of The Gaslight Village property. Mr. Monroe asked Ms. Tatich what match was required by the Restore NY grant and Ms. Tatich replied that the match amount was a minimum of 10%. Mr. Dusek asked if a private owner could apply and benefit from the grant and she replied affirmatively. He then asked if the grant were received and used to rehabilitate the property but the purchase was not made, would the seller be responsible for the matching funds and Ms. Tatich suggested that the stipulation be included in the contract written with the seller.

Discussion ensued with respect to the issue.

Motion was made by Mr. Stec, seconded by Mr. Belden to approach the Charles Wood Foundation with the explanation of the grant and offering \$5,000 to enter into an option contract through December 31st and including the provision that if the purchase was not made, the seller would be responsible for the grant matching funds used to rehabilitate the property. A roll call vote was called and the motion was carried with Mr. Champagne, Mr. Kenny and Mr. Monroe voting in opposition. *(Please note: subsequent to the meeting this offer was rejected by The Wood Foundation and a special meeting of the Finance Committee was held on September 11, 2006 during which an alternative purchase option was approved by the Committee. Please see the September 11, 2006 minutes for details.)*

Returning to the agenda, Mr. Monroe advised that item 10 was a request from Mrs. Parsons to address the Committee regarding the Tobacco Securitization Revenues which were available in the amount of \$925,000. Mrs. Parsons noted that Resolution No. 609 of 2005 was included in the agenda and authorized the priorities for the use of the proceeds. She advised that a resolution was required to indicate the use of funds and she recommended that those funds be used for debt reduction; specifically to pay off the

airport hangar. Mr. Monroe noted that \$1 million was owed on the structure and asked where the additional \$75,000 could be found and Mrs. Parsons advised that there was \$30,000 in the budget and the County Treasurer had indicated that there may be additional administrative funds available to cover the balance of the project.

Motion was made by Mr. Belden, seconded by Mr. Stec and carried unanimously to approve the transfer of \$925,000 to cover the majority of the balance owed for the airport hangar, and the necessary resolution was authorized for the September Board meeting.

Concluding the Agenda review, Mr. Monroe noted that items approved by the Personnel Committee that required Finance Committee action were Items Nos. 2A & B, 4A & B, 6A, 7 and 8A & B.

Motion was made by Mr. Stec, seconded by Mr. Champagne and carried unanimously to approve the aforementioned Personnel Items. (*Please see the minutes of the September 6, 2006 Personnel Committee meeting for details.*)

Please note: In regards to the Public Defender's request to increase staff salaries, the appropriate documentation has been provided to the County Treasurer and the increases which were previously approved by the Criminal Justice and Personnel Committees will be presented by resolution at the September 15, 2006 Board of Supervisors meeting.

As there was no further business to come before the Finance Committee, on motion made by Mr. Stec and seconded by Mr. Belden, Mr. Monroe adjourned the meeting at 11:47 a.m.

Respectfully Submitted,
Amanda Allen, Legislative Office Specialist