

## WARREN COUNTY BOARD OF SUPERVISORS

**COMMITTEE: COUNTY FACILITIES (BUILDINGS & GROUNDS ONLY)**

**DATE: JUNE 1, 2015**

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**COMMITTEE MEMBERS PRESENT:**

SUPERVISORS GIRARD  
WOOD  
STROUGH  
CONOVER  
SEEBER

**OTHERS PRESENT:**

JEFFERY TENNYSON, SUPERINTENDENT OF THE DEPARTMENT OF PUBLIC WORKS  
FRANK MOREHOUSE, SUPERINTENDENT OF BUILDINGS  
KEVIN B. GERAGHTY, CHAIRMAN OF THE BOARD  
PAUL DUSEK, COUNTY ADMINISTRATOR  
AMANDA ALLEN, CLERK OF THE BOARD  
FRANK E. THOMAS, BUDGET OFFICER

**COMMITTEE MEMBERS ABSENT:**

SUPERVISORS WESTCOTT  
MONROE

SUPERVISORS BEATY  
BROCK  
FRASIER  
MERLINO  
MCDEVITT  
SOKOL  
TAYLOR  
VANSELOW  
HON. DAVID B. KROGMANN, SUPREME COURT JUDGE  
TRAVIS WHITEHEAD, TOWN OF QUEENSBURY RESIDENT  
DON LEHMAN, *THE POST STAR*  
THOM RANDALL, *ADIRONDACK JOURNAL*  
CHARLENE DIRESTA, SR. LEGISLATIVE OFFICE SPECIALIST

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Mr. Girard called the meeting of the County Facilities Committee to order at 9:30 a.m.

Motion was made by Ms. Wood, seconded by Mr. Strough and carried unanimously to approve the minutes of the previous Committee meeting, subject to correction by the Clerk of the Board.

Privilege of the floor was extended to Frank Morehouse, Superintendent of Buildings, who distributed copies of the agenda packet to the Committee members; *a copy of the agenda packet is on file with the minutes.*

Commencing the agenda review, Mr. Morehouse requested ratification of his actions in requesting Siemens Industry, Inc. to perform emergency repair services on the air conditioning unit located in the server room of the Human Services Building (HSB) on May 6, 2015, as well as for approval of payment in the amount of \$3,382.80 for same. He explained there had been a leak in the air compressor which required temporary cooling measures to be set up. He said he had called Siemens to perform an emergency repair which included some internal welding. Normally, he stated, this type of work would require the solicitation of three quotes; however, he continued, since this was an emergency situation, he had contacted Siemens for the repair. He informed that the County's service agreement with Siemens Industry, Inc. covered the Municipal Center Building but not the HSB; he expressed the importance of the server room remaining at a cool temperature. He commented that the repairs were completed and he would be discussing plans for a backup cooling system for the server room during this meeting.

Motion was made by Mr. Conover and seconded by Mr. Strough to ratify the actions of the Superintendent of Buildings in requesting Siemens Industry, Inc. to perform emergency repair services on the air conditioning unit located in the server room of the HSB on May 6, 2015 and to approve payment in the amount of \$3,382.80 for same.

Ms. Seeber asked for an explanation of the County's service agreement with Siemens Industry, Inc. Mr. Morehouse explained the service agreement did not cover the HSB but it did cover the Municipal Center Building. He said the heating and cooling equipment in the Municipal Center was owned by Siemens and the term of the current agreement was 15 years. He informed that when the agreement commenced, Siemens had replaced all of the equipment in the Municipal Center and they maintained, repaired or replaced the equipment, as needed. Mr. Strough asked if the air conditioning unit was still under warranty and Mr. Morehouse replied in the negative noting the three-year warranty had expired.

Jeffery Tennyson, Superintendent of the Department of Public Works (DPW), entered the meeting at 9:33 a.m.

Ms. Seeber asked if the County owned all of the equipment in the HSB and Mr. Morehouse replied affirmatively. Mr. Girard commented that a service agreement could be obtained for the HSB but it would be expensive. Mr. Morehouse said he had presented a service agreement with Siemens Industry, Inc. for the HSB several years prior but the Board of Supervisors had decided not to pursue the option at that time. He explained the HSB contained Siemens' controls, as specified when the Building was constructed, so any repairs needed for the control computer system would need to be performed by Siemens for proprietary reasons. He said the machinery could be repaired by any qualified mechanic or technician. A brief discussion ensued.

Travis Whitehead, Town of Queensbury resident, mentioned that the hourly rate of \$136 charged by Siemens Industry, Inc. was about 50% more than a local air conditioning mechanic would charge. He acknowledged Mr. Morehouse had indicated that if this had not been an emergency situation, he would have solicited quotes for the repair.

Mr. Girard called the question and the motion was carried unanimously to ratify the actions of the Superintendent of Buildings in requesting Siemens Industry, Inc. to perform emergency repair services on the air conditioning unit located in the server room of the HSB on May 6, 2015 and to approve payment in the amount of \$3,382.80 for same. *A copy of the resolution request form is on file with the minutes and the necessary resolution was authorized for the June 19, 2015 Board Meeting.*

Pertaining to the second item under Referral/Pending Items, Mr. Morehouse said he had priced a permanently mounted backup air conditioning unit for the server room of the HSB, similar to the one located in the server room of the Municipal Center; however, he continued, since the server room of the HSB was in the center of the Building, it would be difficult to run the necessary exhaust to the roof. He recommended purchasing an additional 3-ton portable air conditioning unit for use in the server room of the HSB at an approximate cost of \$600. He said the existing 3-ton portable air conditioning unit kept the room at about 83 degrees during very hot weather. He added that two portable air conditioning units would provide sufficient cooling (6 tons) because the permanent air conditioning system was a 5-ton unit. He expressed the benefit of the portable air conditioning units was that they could be used elsewhere, as needed. He advised a portable air conditioning unit could be purchased for about \$600 at Home Depot. Mr. Girard asked if the intention was to purchase two units and Mr. Morehouse responded that they had one unit and he wanted to purchase one additional unit. Mr. Morehouse reiterated that one unit kept the temperature at 83 degrees but two units would have been preferable as they would have kept the temperature below 80 degrees. He advised he had the necessary funds available within his Departmental Budget. Mr. Conover asked how the portable air conditioning units were ventilated and Mr. Morehouse responded they ventilated through a hose which would be run through the floor and into the ceiling space below so it would not affect the temperature of any other rooms. Mr. Morehouse commented the portable air

conditioning units had catch trays for water condensation which could be emptied by the night crew. Mr. Conover asked if these units would only be used in emergency backup situations and Mr. Morehouse replied affirmatively noting the units could be used elsewhere, as needed. Mr. Strough mentioned it was necessary for the servers to remain cool because if they overheated it would be costly to replace them. Mr. Morehouse commented that there were alarms in the server room to indicate if the temperature was too high.

Motion was made by Mr. Conover, seconded by Ms. Seeber and carried unanimously to approve the purchase of a portable 3-ton air conditioning unit for use in the server room of the HSB and elsewhere at an estimated cost of \$600.

Concerning the first item under Referral/Pending Items, Mr. Tennyson reminded the Committee members that he had been conducting interviews with the respondents to the solar Request for Proposals (RFP). He said follow up questions had been submitted to the proposing firms and they were awaiting some of those responses. He commented that some of the details included how the firms would handle the flood zones and the maintenance and repair which would be provided during the contract term. He informed the solar RFP proposals were being reviewed by a working group which included himself, as well as the following people:

- ▶ Kevin Hajos, Deputy Superintendent of the Department of Public Works;
- ▶ David Hart, Solar Expert from Clark Patterson Lee (CPL);
- ▶ Supervisor Girard;
- ▶ Supervisor Strough;
- ▶ Tom Belden, Water Superintendent for the Town of Warrensburg;
- ▶ Dee Park, Director of Countryside Adult Home; and
- ▶ Dr. James Seeley, Executive Director of Cornell Cooperative Extension (CCE).

Mr. Tennyson advised he anticipated the working group would meet again in the next few weeks and he said they were close to determining a recommendation for the Committee. He stated that Mr. Hart was the technical source to review the power purchase agreements in a level of detail that a civil engineer would be unable to. He noted that Mr. Hart assisted in clarifying and identifying the differences in the proposals and with asking the relevant questions of the proposers. He mentioned that the stakeholders in this project included the Town of Warrensburg (for their well sites), the County (for Countryside Adult Home) and CCE. He pointed out this had been a deliberate process since the contract would likely be for a 20-year term. Mr. Tennyson stated that "the devil was in the details" of the assumptions being made by the proposers and their projections of future utility costs and savings. He added it was necessary to delve into the details of the assumptions to ensure that the proposals were being compared on an equivalent basis. He noted if a firm over projected future increases in utility costs, they would also be over projecting potential savings.

Mr. Tennyson stated the firms had indicated that their proposals, at least in part, were business confidential, meaning the County was obligated to maintain confidentiality. He noted what the firms considered to be proprietary information could not be disclosed to the public or their competitors. He informed that Mr. Beaty and Mr. Westcott had requested un-redacted copies of the proposals which had been provided to them on November 25, 2014; he added the un-redacted proposals were available to any of the Supervisors. He advised that when the Committee reviewed the proposals, they would need to do so in an executive session, as much of the information would be business confidential. He said the working group was ensuring that they obtained all of the necessary information before presenting the proposals to the Committee to avoid wasting unnecessary time.

Mr. Tennyson commented that he had received some questions from Ms. Seeber last week and she had requested un-redacted copies of the proposals which were provided. He mentioned a list of

questions had been received from Mr. Westcott on Friday, May 29, 2015 and he had responded to 3 of the 5 questions that day and would be responding to the remaining questions today. He stated he was more than willing to disclose any of the information to elected officials with the understanding that it was business confidential. He mentioned there had been some FOIL (Freedom of Information Law) requests received from members of the public and the information had to be redacted before the requests could be fulfilled. Mr. Tennyson advised the working group was proceeding in a slow and methodical manner using a very deliberate process because this would likely be a 20-year contract. He said the working group was using their best efforts to assist the Committee in making a well informed decision.

Ms. Seeber said she appreciated the quick responses to her questions and requests for information. She asked if the Committee would have an opportunity, at the appropriate time, to speak directly with the working group. Mr. Tennyson responded that once the working group reached a consensus, he planned to invite them to a Committee Meeting to discuss their reasoning. Ms. Seeber asked what would happen with the solar contract if one of the properties included was later sold. Mr. Girard said that was an interesting point because it was possible the County could decide to privatize Countryside Adult Home as they had decided to do with Westmount Health Facility. He commented that question would need to be reviewed and addressed by Martin Auffredou, County Attorney. He noted he was a member of the CCE Board and the intent of the solar RFP had been to assist CCE with reducing their energy bills because the building was fully electric. He added the electric bills for CCE were extremely high at about \$6,700 for a six-month period. He commented this process had begun about 2 years prior and was complicated by the involvement of NYSERDA (New York State Energy Research and Development Authority). Mr. Girard said there were several stake holders involved and although they wanted immediate success, they were also considering the future impacts. He apprised that when the working group completed the data collection, they would execute a plan which would be vetted by the Board of Supervisors, the County Attorney and the County Administrator. He recalled Mr. Strough had mentioned at a prior meeting that the former Ciba Geigy property would be an ideal location for a solar farm. He commented these types of discussions were interesting and would be beneficial later on. He acknowledged this process had not been the most expeditious for CCE but he felt the proper steps were being taken.

Discussion ensued.

Mr. Tennyson stated that Ms. Seeber's question about the transferability of the power purchase agreement was a good one. He said private home owners entered into power purchase agreements and he believed they were transferable upon the sale of the home; he noted that solar power would enhance the marketability of a property. He said they would ensure the contract included provisions for the transfer of the agreement in the event that the property was sold.

Mr. Whitehead agreed there were a lot of technical issues and he said he had concerns with most of them. He indicated he had requested information which had been denied to him. He said he had obtained some information from the proposal submitted by US Clean Energy, LLC, a company which had not requested their proposal remain confidential. He commented that US Clean Energy, LLC was proposing a 200 kW system for Countryside Adult Home and they were projecting a savings over a 20-year period of \$114,000 to \$185,000. He explained that whichever firm was selected would send bills to the Internal Revenue Service (IRS) and NYSERDA. He said the 200 kW system which would save the County \$114,000 to \$185,000 would cause the IRS to pay \$240,000 to \$360,000 and NYSERDA to pay \$100,000 to \$160,000. He expressed that these organizations would use tax dollars to pay \$340,000 to \$520,000 in order to save Warren County \$114,000 to \$185,000 over a 20-year period. He stated his opposition to spending \$3 of taxpayer money in order for Warren County to save \$1.

Pertaining to the projected savings for the solar proposals, Mr. Whitehead said he had considerable concerns about the way that these estimates were being handled and he felt the projected savings listed were much higher than the actual savings which would be realized. He stated he took exception to Mr. Tennyson's comment that "the devil was in the details". He opined the County should not be asking these firms to make any assumptions, as all assumptions should be made by CPL. He said the main thing the County needed to know was the cost of the power purchase agreement over a 20-year period. He expressed the County should be asking CPL to determine the amount of savings anticipated and CPL should be held accountable if their projections were incorrect. Mr. Whitehead said that according to emails he had received, all of the assumptions being used by the firms had been determined by the County. Mr. Girard asked if Mr. Whitehead was opposed to a solar power conversion and Mr. Whitehead replied he was opposed to spending \$3 in taxpayer money to save \$1 on the Warren County Budget. Mr. Whitehead said he would be in favor of the solar power conversion if the County did not need to spend \$3 to save \$1. He stated that with the Cogeneration Plant at Westmount Health Facility, Siemens had informed the County that they would not save any money unless the Medicaid contributions continued. He added the County should have ceased the project upon learning this information but they proceeded. Chairman Geraghty asked the amount of the contributions from the IRS and NYSEDA and Mr. Whitehead replied the IRS would pay 30% of the stated costs. Mr. Whitehead informed the IRS was in litigation with Solar City which was one of the firms being considered by the County. He explained that Solar City was reporting \$6 per watt for most of their projects and the IRS countered that other firms reported a cost of \$4 per watt. He stated that 200 kW times \$4 per watt translated to 30% of \$800,000 which the IRS would pay for the project. He explained that NYSEDA would pay \$.50 to \$.80 per watt times 200,000 for the 200 kW system.

Mr. McDevitt commented that the investment tax credit was generated by the Federal Government and went to home owners who were taxpayers. He said if the investment tax credit, the NYSEDA contribution and the ability to depreciate the solar panels were taken away, then there would be no solar industry in this Country. He stated these credits were generated to motivate consumers to convert to solar energy and to wean them off coal, oil and other non-renewable energy sources and to reduce the costs of energy. He mentioned that one could argue the greater good was being served by encouraging people to convert to solar energy and wean off from energy sources which most scientists would agree were destroying the planet.

Ms. Seeber said she was curious about the basis or credibility of the investigations she had read about online through the Department of Justice and the Department of Treasury. She apprised that she was hoping the Committee would address this matter before they entered into an agreement. She mentioned she would like to be assured that this matter had been vetted and what the recommendation would be for moving forward with an agreement knowing there were ongoing Federal investigations. Mr. Tennyson stated that the working group had not looked into the ongoing investigations or litigation but he would try to derive whatever information he could for the Committee. He said the working group could obtain the opinions of the involved firms as far as what they saw as the issue and where it was heading.

Mr. Brock commented that the Town of Queensbury had recently converted some facilities to solar power and he asked Mr. Strough if the same assumptions had been used with the IRS and NYSEDA as mentioned by Mr. Whitehead. Mr. Strough explained the IRS and NYSEDA had dedicated a determined amount of funding towards incentives for solar conversion and these funds would continue until they were depleted. If Warren County did not take advantage of the incentives, he expounded, other Counties would and as a result they would lower their energy costs and tax rates. He indicated the monies were available and Warren County should take advantage of the incentives and the opportunity to convert to solar power and lower their energy costs and tax rates. He agreed

with Mr. McDevitt that there was some good reasoning behind the incentives, such as reducing pollution and the use of other energy sources. Mr. Strough stated the only way to accomplish this was to provide incentives which encourage consumers to convert to sustainable energy sources like solar. He informed the Town of Queensbury had saved money and had included the solar conversion as part of their required Government Efficiency Plan. Mr. Strough explained there were several different configurations for use of solar power, such as metering, remote metering and remote net metering. He said there were companies who offered a particular cost per watt under a power purchase agreement. He apprised that each company would need to be reviewed as some were fairly new to the business while others were well established. He noted that matters, such as the flood zones and the three separate entities involved, complicated the issue when it came to the potential agreement. He advised the working group was doing their due diligence in vetting the proposals. A brief discussion ensued.

Mr. Beaty commented he felt the process was proceeding at an appropriate pace; however, he continued, he had concerns with Mr. Tennyson having no knowledge of the pending litigation with Solar City since it appeared this company was a leading candidate. He stated he did not want the County to enter into an agreement with a company that was in the midst of legal issues. He said he agreed with a lot of Mr. Whitehead's comments, as well as some of the comments made by Mr. McDevitt. He stated he had an issue with spending \$3 of taxpayer money to save \$1 in the County Budget; however, he added, he also believed in the benefits of renewable energy sources. He voiced his concern that the Committee had narrowed the proposers down to two and one of those companies had significant legal issues.

Mr. Whitehead mentioned the County was considering a 20-year agreement; he noted that Solar City had not been in business for 20 years and the company was losing money. He said the 30% tax investment credit was keeping Solar City in business but the incentive was scheduled to be decreased to 10% in the next two years. Mr. McDevitt commented that no one knew all the facts about the litigation with Solar City and he suggested Martin Auffredou, County Attorney, advise the Committee about the matter and his opinion. Ms. Wood suggested the Committee allow the working group to continue with their vetting process. She commented that she did not recall Mr. Tennyson saying that he was unaware of the litigation, she only recalled him saying he would see how much information he could obtain for the Committee. A brief discussion ensued.

Mr. Tennyson informed the last item on the agenda pertained to an update on the Court Space Expansion Project and he noted the presence of the Hon. David B. Krogmann, Supreme Court Judge. Judge Krogmann stated he was only present to answer questions that might be asked and to show the Courts continued interest in the partnership which had been developed. Mr. Tennyson advised there had been continued discussions with the New York State Office of Court Administration (NYS OCA) through Judge Krogmann and Paul Dusek, County Administrator, regarding the process moving forward. Mr. Tennyson stated his understanding was that the NYS OCA was 100% on board with the concept plans, as presented. He explained the OCA Facilities Capital Review Board normally met when there were multiple projects to review. He stated the indication received from the NYS OCA was that Warren County should proceed with their concept plans and when other Counties caught up to the same point, the OCA Facilities Capital Review Board would schedule a formal meeting.

Mr. Tennyson apprised they had commenced discussions on the temporary measures for the new Family Court Judge's Chambers and office space. He reminded the Committee members the new Family Court Judge would take office on January 1, 2016. He said discussions were ongoing with the NYS OCA to determine how involved they would be in reviewing the County's temporary measures for office space. Mr. Tennyson informed that CPL was proceeding with the design development phase

of the project in order to generate the final design and the bid packages. He said he would report to the Committee on any major decisions or options going forward.

Mr. Girard said he felt the County was doing an effective job of working with all of the involved parties. He noted Mr. Dusek had a contact at the NYS OCA and he believed there would be further progress on the temporary measures later that day. He commented the financial and bonding issues had been reviewed and taken care of. Judge Krogmann informed that they were currently looking at the Supreme Court Library area for the temporary measures because everyone agreed this was a logical location. Mr. Girard acknowledged that the County had mapped out a very good plan for a temporary solution which included the Supreme Court Library area. Judge Krogmann reiterated that the Supreme Court Library area was the logical location and he noted there were only 7 months remaining to complete the temporary measures. Mr. Tennyson stated that once clarification on the process was received from the NYS OCA, he would return to the Committee with a concept plan for the temporary measures. He said the intent for the temporary measures was to ensure they were as cost effective as possible while meeting the needs of the new Family Court Judge and his staff. A brief discussion ensued.

Referring to the pending item concerning a separate proposal from CPL for the walkway in front of the Municipal Center, Mr. Tennyson advised he had spoken with Matt Smullen, of CPL, and he believed repairs to the walkway would be added into the design plans. He said they would determine the impacts and discuss the matter further at an upcoming Committee Meeting.

Mr. Girard reminded the Committee members that a second County Facilities Committee Meeting would convene at 1:00 p.m. at the Floyd Bennett Memorial Airport in order to discuss Airport business and tour the facility and grounds. Mr. Tennyson commented there would be a brief meeting to present a couple of resolution requests followed by a tour of the facility and grounds. He noted the Town of Lake George had donated the use of their trolley for the tour. Mr. Whitehead asked if members of the public were allowed to go on the tour of the facility and grounds. Mr. Tennyson said he was not sure if there would be liability issues. Mr. Dusek responded that he would need to ask the advise of the County Attorney but he was sure it would be acceptable.

As there was no further business to come before the County Facilities Committee, on motion made by Mr. Strough and seconded by Ms. Wood, Mr. Girard adjourned the meeting at 10:27 a.m.

Respectfully submitted,  
Charlene DiResta, Sr. Legislative Office Specialist