

Minutes

Public Facilities Committee

March 19, 2018, 4:00 pm

Gerace Office Building, Mayville, N.Y.

Members Present: Hemmer, Wilfong, Nazzaro, Scudder, Gould

Others: Tampio, Ames, G. Spanos, S. Cummings, K. Dennison, Borrello, Abdella, Wendel

Chairman Hemmer called the meeting to order at 4:00 pm.

Approval of Minutes (2/20/18)

MOVED by Legislator Scudder, SECONDED by Legislator Nazzaro to approve the minutes.

*Unanimously Carried*

Privilege of the Floor

Clerk Tampio: Mr. Chairman, if I may, I would like to introduce Olivia Ames who is our newly hired Committee Secretary for the Legislature. She is observing this month and then next month she will be sitting here and acting Committee Secretary.

Chairman Hemmer: Thank you very much for that introduction and welcome. Would anyone else like to speak at the privilege of the floor?

Nobody chose to speak at this time.

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Proposed Resolution – Amend 2018 Budget Appropriations–Portland, Pomfret, Dunkirk Sewer District

Mr. Cummings: Good evening everybody. We found while going through the budget that there was equipment listed on the treatment side of our budget for the PPD District and there is no equipment on the treatment side. The treatment side is just to pay the Village of Fredonia. So that equipment that was listed under treatment needs to be moved over to sanitary. So that was the reason for the proposed resolution.

Mrs. Dennison: So there is an error in the budget in the depreciation expense line. The budget is split, as Scott was saying, between sanitary equipment and treatment equipment and all of the actual expense at 17 and 18 would be going to the sanitary department- nothing to

depreciation expense for sewage treatment because there was no equipment in sewage treatment. It's just a change to make the budget match what the actual would be.

Legislator Gould: Do you have plans for this found money?

Mr. Cummings: I didn't look at it that way to be honest with you. The district is kind of struggling with funds as it is, so we have done a rate increase for the district and its going to be starting up here soon.

Mrs. Dennison: Well actually, there is not found money because right now the expense is in two lines and the actual is only going to be in one. So we are just consolidating the budget into one.

Legislator Nazzaro: So there is no found money.

Mrs. Dennison: Yes, no found money.

Legislator Scudder: Was there ever sewage treatment equipment?

Mr. Cummings: Not that I know of. No, there never was. That's why when Kathleen was going over the budget with me, we looked and I said there's no equipment on treatment side. I just didn't know why it was always there. It didn't make any sense

Mrs. Dennison: The budget was wrong in 17 also. If you look at 17, all of the actual's in sanitary. The budget's in two places.

Chairman Hemmer: In the past what happened to that money? Did it just get transferred over to (*inaudible?*)

Mrs. Dennison: Well, the expense is all within the PPD district so it self-balanced itself. The sanitary line was over budget because the actual exceeded the budget and the treatment depreciation was under budget. So in the past, at the end of the year we have been moving that budget around. We are doing it now because we know were going to need to do it later if we don't do it now.

Chairman Hemmer: Any other questions, concerns? All in favor please say aye.  
Opposed?

*Unanimously Carried*

#### Other

Chairman Hemmer: Okay so up next we have Roberts Road.

Proposed Resolution- Authorize Sale and Option Agreements for Redevelopment of Roberts Road Properties in the City of Dunkirk

Mr. Abdella: This was originally cited to be a discussion where we would be updating you on the status of what were ongoing negotiations for the option sale of the properties on Roberts Road, but it advanced far enough that we could turn that into a proposed resolution for adoption by the Legislature regarding those properties. There had been some reports previously in the news relating to the IDA's actions regarding the project. This is a project to build a refrigerated warehouse facility on the Edgewood property and that refrigerated warehouse would be leased by the developer to Field Brook Foods, which would allow them the opportunity to free up space within their existing facilities to add more production capability in their existing facilities. So this resolution which is before you does a couple things. First of all, there is a SEQR component to the resolution. The IDA which had its own approvals to make regarding the financial assistance it will be giving to the project, agreed and choose to act as the lead agency on the SEQR environmental reviews. They completed that on February 27<sup>th</sup> and passed a resolution with a negative declaration, finding that there was no significant impact on the environment. So this resolution in the first portion of it, references that fact that IDA has done the SEQR review as lead agency and then has the County reference that fact and essentially confirm the findings of the lead agency, the IDA's to the SEQR finding. Then after that, the resolution gets into the proposed terms and conditions of the option sale of the properties. First off, in the case of Edgewood, that is the property for those of you familiar with the Roberts Road property complex there is the one that still has a very large, old, abandoned building sitting on it. That is the only one that has not been demolished yet and remediated. So, the conditions of the sale involving that parcel which is where the developer would place the new warehouse facility is that they perform all of the required remediation as approved by the DEC which would be happening in conjunction with the demolition of the building, which they would also be required to do and then would be followed by the new construction of the facility and all of those activities as a whole, are estimated to cost 16.25 million dollars. So that cost includes the remediation, the demolition, construction of the new facility, and the acquisition and installation of the new equipment in that facility. So because of that very substantial investment by the developer, the purchase price proposed is one dollar, but that's predicated on the agreement of sale requiring them to fulfill these development obligations. You would also note that the resolution refers to the possibility of an access easement over the Alumax and Roblin parcels. The developer at this point is looking at two options. One would require this easement on our property to get the necessary access to the site. If that were to be the case, the contract being negotiated would in fact have us grant them a permanent easement for that purpose, but they would be required to construct the road and be responsible for all environmental costs related to constructing that road. It's not a certainty at this point whether they will need that easement or not, but we are including it in the resolution because it may be required.

County Executive Borrello: We are going to try to assist them in negotiating a potential easement with a neighboring property that is owned by Cott and it would actually benefit Cott to have this road constructed across their property. So we are hopeful that they will be- so right now Cott is in transition with Fresco buying them, so we are having a difficult time getting through to the right people at this point to have that discussion. Hopefully that will be resolved soon, but this is really a tremendous- this negotiation started months ago with Vince and its- anybody- if you're following this, you know we have this Great Lakes cold storage company that came to town and they are looking to build a facility in a neighborhood in Dunkirk and the neighbors didn't want it, so they filed a court action and it was a real mess for a long time and then this

Great Lakes cold storage company just threw their hands up and walked away and said we are not going to deal with this. Now were in a good position with The Krog Group to come in and hopefully it looks like we've got a deal for him to buy this property- this contaminated property that's quite an eye-sore for the City of Dunkirk and clean it up and build a facility there that is going to itself employ about 50 people, but more importantly it's going to free up space at Field Brook where they can actually put in new lines and themselves employ more people. So it's really a major win-win and we are hopeful that it will spur development on the remaining two parcels of land that are adjacent to the site there- to the site that they are going to build the freezer on. So it's really a great opportunity. We've been in negotiations with Krog since pretty much the day I took office, so we are excited to have gotten to this point and Peter Krog's Group has been great partners to the County in the past. You may know that they are the company that's developing the Chautauqua Harbor Hotel and investing nearly 40 million dollars into our County. In the past, they have developed other sites and properties and hopefully they do more in the future. So they are a great partner with a great history, and certainly a track record of quality. We are now in the stage here where they want to move us to the next level as its time sensitive for Field Brook and that's why we wanted to try to get this in now under other and then over to Audit and Control so we can get this through the Legislature this month and they can start moving forward with construction.

Legislator Nazzaro: What's the time frame?

County Executive Borrello: They want open the door as soon as possible so Field Brook can be in there before the end of the year with storage. It's a very aggressive timeline but they want the facility opened before the end of this year.

Vice Chair Wilfong: Now what about the tax payers for Chautauqua County? Is it going to be on the tax rolls?

County Executive Borrello: Yes, there is a pilot agreement that will be negotiated, but right now it is not on the tax rolls at all. As far as the pilot- I don't know exactly what the terms of that are and that has to go through the IDA- I'm sorry, I think they have already taken action. I don't have the details on that but they did take action on that. Keep in mind that taxes are paying (*inaudible.*) But there is some type of a pilot there.

Chairman Hemmer: You'll have that for Audit and Control to look at?

County Executive Borrello: Yeah, definitely.

Legislator Nazzaro: Are these new jobs?

County Executive Borrello: Yes, new jobs. So currently right now Field Brook ships anything that's beyond the capacity that they can do onsite, they ship to Northeast Pennsylvania. Now, instead, they are going to be able to just truck it across town and store it there at the site. It's an industrial site to begin with, but because of the fact that these are contaminated- you're talking about former steel plants, aluminum plant- so these- you probably haven't been there

Chuck, but it's not a real pretty site. The whole (*inaudible*) parkway, which is nice, we built this nice road but now the space needs to be taken up by businesses.

Legislator Scudder: In my opinion, it's a better location for this. Are these easements or right of way- are these permanent or just for construction?

County Executive Borrello: Yeah, permanent easement. So, and I don't have a map here to show you- so essentially, you've got this intersection- you know the intersection where it is- Roberts Road and all that and Millennium Parkway? So, you've got Cott's facility right here, and at the light there is basically a gravel road that Cott's employees take every day to park. Under Krog's current proposition, they want to take that gravel road and actually pave it so that it will lead back to their facility also. And in turn, it will be a nice paved road for Cott's employees. So it's a win-win. It's just a matter of getting the right people on-the right people to get that taken care of. So that's probably the likely scenario, but, they want to guarantee that if for some reason they can't get that easement from Cott that they have an easement through the former Alumax property which is not the most ideal. The most ideal would be to actually pave that road but if needed that will have to cut through the Alumax property.

Mr. Abdella: So it would be a little bit further East. Not far from where they ideally want to put the road, but it would move on to our property very close by.

Chairman Hemmer: Do you have like a site plan that you can have for Audit and Control?

County Executive Borrello: Yeah, can we get that map that we were working with in last week's meeting?

Mr. Abdella: Yeah.

County Executive Borrello: That would be great if we could get that and bring it to Audit and Control. I will do that.

Chairman Hemmer: I did have a question about the demolition. There is a plan for all of the material?

County Executive Borrello: Yeah, in fact the landfill- whatever can be taken to the landfill will be taken to the landfill. We've negotiated a discount but not free- discount for volume. I'm assuming that everything going to the landfill is clean?

Mr. Spanos: Anything that is hazardous would go to a hazardous landfill. Our landfill is non-hazardous so only materials that are acceptable to our landfill will be taken.

County Executive Borrello: So the hazardous stuff won't go to us.

Vice Chair Wilfong: And George you said 50 new jobs?

County Executive Borrello: 50 new jobs at the facility itself- the warehouse facility- it will also create new jobs at Field Brook because they are going to put new lines in. And by the way, I toured Field Brook with the general manager and he showed me the warehouse and said look, “if we can clear all this out and move it to this new facility, then they can put in new lines.” He has lines that he would like to put in there. And, keep in mind, there- you know- Field Brook is part of a larger conglomerate and if they can’t do it here, they will do it in other facilities in Illinois, or wherever. So we want to move as quickly as possible because they have other options. It’s very exciting because Field Brook has been growing and they do a lot of private label ice cream, and I took the tour and was able to sample some ice cream. It was great. But, in addition to that, they are growing, it’s a good industry, and it’s obviously kind of a bell curve. They are real busy in the summertime and it kind of drops off a little bit. So they will get through this busy summer season of ice cream production and then be able to start moving things into that warehouse, hopefully around the late fall. They have already been negotiating a lease with Field Brook. It’s really been working out pretty well. Everybody’s been trying to do things in concert so we can get this moving forward as quickly as possible. But yeah, 50 new jobs there, and then who knows how many when they open up the new lines.

Legislator Nazzaro: So do we take action on this?

County Executive Borrello: We have to pass a resolution. The discussion turned into the resolution.

Chairman Hemmer: Ok, do we have any other questions about this right now? Ok, then all in favor of the proposed resolution? Aye? Opposed?

*Unanimously Carried*

Proposed Resolution- Authorize Agreements with Federal Aviation Administration (“FAA”) For the Installation, Operation, and Maintenance of Air Navigation, Communication and Weather Aid Facilities at the Chautauqua County Dunkirk Airport and Greater Chautauqua – Jamestown Airport

Mr. Spanos: This will allow us to enter into an agreement with FAA to place the navigation equipment in our airports. They would do all the work. There is no cost to the County except the *(inaudible.)*

Chairman Hemmer: This is an agreement that continues existing agreements that we have.

Mr. Spanos: Just puts an agreement into the process that we have right now.

Chairman Hemmer: No new equipment. It’s just-

Mr. Spanos: Not to my knowledge, but this allows FAA in the future to run new lines *(inaudible.)*

Legislator Gould: At our cost, or their cost?

Mr. Spanos: Their cost. There are some contingencies that if the county is doing a project, this equipment has to move. It (*inaudible*) be part of the project, but in that instance, FAA has the majority of the cost anyways.

Mr. Abdella: So this would be general authority to move forward within budget. If there was going to be an unbudgeted cost that would need to come to the Legislature. I've also noted that in the title, the word "instillation" has an "i" instead of an "a."

Chairman Hemmer: Ok, with that typo, we will just treat that as a typo. Besides the typo, are there any other questions or concerns with this resolution? All in favor of the proposed resolution please say Aye. Opposed?

*Unanimously Carried*

Chairman Hemmer: Is there anything else under other that anybody would like to talk about? No? Nothing? If there is nothing else we can move for adjournment.

Legislator Nazzaro: Motion to adjourn.

Legislator Scudder: Second

*Unanimously Carried 4:23 p.m.*

Respectfully submitted and transcribed,  
Kathy K. Tampio, Clerk/Olivia L. Ames, Committee Secretary