

**EDUCATION AND ECONOMIC DEVELOPMENT COMMITTEE
MINUTES**

**MONDAY, MAY 21, 2018
4:00 P.M.**

PRESENT: Paul Ruskiewicz, Chairman
Leigh J. Benton, Barry J. Cheney, Thomas Faggione,
Kevindaryan Lujan, Joseph Minuta, James D. O'Donnell,
Rob Sassi, Laurie R. Tautel

ALSO

PRESENT: L. Stephen Brescia, Chairman
Katie Bonelli, Majority Leader
Peter Tuohy, Legislator
John S. Vero, Legislator
James DiSalvo, Former Legislator
Antoinette Reed, Legislative Counsel
Harry Porr, Director of Operations
Susan Whalan, Assistant County Attorney
Donna McCarey, Deputy Commissioner of Human Resources
Kelly D. Morris, AICP, Senior Planner/Project Mgr., Planning Department
Dr. Kristine Young, President, Orange County Community College
Linda Dauer, Vice President of Admin., Orange County Community College
Wendy Holmes, Assoc. V.P., Human Resource, Orange County Community College
Fred Watson, Orange County Community College Bd. of Trustees
Laurie Villasuso, Chief Operating Officer and Executive Vice President,
Industrial Development Agency
Vinnie Cozzolino, Managing Director, Industrial Development Agency
Deborah Slesinski, Deputy Budget Director
Michael Ventre, Budget Analyst

Chairman Ruskiewicz opened the committee meeting at 4:25 p.m. by asking everyone to stand for the Pledge of Allegiance. All committee members were present.

Chairman Ruskiewicz stated that Agenda Item No. III will be moved up to No. I. Hearing no objections, he called Ms. Morris to the table who was joined by Legislative Counsel Reed.

Ms. Reed announced that the committee will only approve SEQRA today. She explained that they received public comments and the Agricultural and Farmland Protection Board reviewed the applications and toured the properties and they have some comments and concerns.

Mr. O'Donnell moved to approve SEQRA for the inclusion of lands into the Orange County Agricultural District Nos. 1 & 2, seconded by Mr. Lujan.

Ms. Reed advised the committee that there is a public hearing scheduled for June 7th at 3:15 p.m. and she anticipated comments from the public.

Ms. Morris stated that the Agricultural and Farmland Protection Board unanimously approved four of the five applications. The fifth application is the Serviss property in the Town of Newburgh which was approved under the condition that the applicant provide evidence that they were given approval for timber harvesting. They did hear from the town supervisor that the planning board did approve a site plan for timber harvesting but they have no proof of that yet.

Ms. Reed explained that on each of the SEQRA forms they are asking that the proposed action will not have significant adverse environmental impact because they were adding the lands to the agricultural districts.

Ms. Morris added that the property in Walkill was originally submitted as one application but the Planning Department and Office of Real Property looked into the ownership and it is owned by two different parties so there were revised applications for that property. One of the neighbors had concerns that the applicant was filling in the flood plain but the town indicated they had the correct permits and are in compliance. Mr. Church spoke with one of the owners and indicated that the Agricultural and Farmland Protection Board would like it if the applicant did not fill in the flood plains on the Walkill River.

Ms. Reed further added that there were some neighbors with concerns regarding the Newburgh property. The property was transferred from one owner to another owner and when they reviewed the records on file with the County Clerk they do not have the applicant as the owner of record which has since been clarified. They encourage the public who have concerns to come and speak at the public hearing. Therefore, they decided to hold off on approving the applications until the Legislature hears from the public.

Mr. Sassi asked about the concern that the neighbor had with the property owner getting too close to the flood plains.

Ms. Morris explained that the property owner has a horse boarding operation and they have a lot of horse shows which is right along the Walkill River. They are trying to expand their pasture and do additional clearing and they are trying to level it out. For now, they comply.

Mr. O'Donnell questioned the same address and contact information on the application because it is listed as two separate owners. He asked if it was two separate pieces of property and if so, can they legally do that.

Ms. Morris explained that it is the same farmer although it is two separate pieces of property.

Ms. Reed explained that they go by section, block and lot.

Mr. O'Donnell asked if they legally need two separate addresses.

Chairman Ruszkiewicz stated that the address is the address for the applicant who owns several parcels and there was some confusion.

Ms. Reed stated that they would look into it.

Mr. Benton commented on the concerns the town board had with pesticides at the Newburgh property.

Ms. Reed stated that Commissioner Church explained this in an email to Mr. Benton earlier today but was not sure if Mr. Benton was able to view the entire email.

Ms. Morris added that she believed that they were not using pesticides now and pointed out that was separate from this process and it was something that the town addressed.

Motion carried. All in favor.

Next item on the agenda was a request from the County Executive's office requesting the confirmation of appointments to the Orange County Community College Board of Trustees for terms to be effective July 1, 2018 (T. Weddell, R. Martucci, Jr., F. Hannes, W. Vacca).

Mr. Faggione moved the request to confirm appointments, to the Orange County Community College Board of Trustees for terms to be effective July 1, 2018, seconded by Mr. Sassi.

Mr. Porr addressed the new appointments and provided background on each candidate.

Chairman Ruszkiewicz confirmed that two of the appointments are to fill vacancies and the other two are replacing current trustees.

Mr. Porr explained that Donna Benson left the board so one appointment is her replacement, Steven O'Donnell left and Joan Wolfe's term expired and the same for Robert Krahulik.

Mr. Porr introduced Mr. Fred Watson who was incoming Chair who was in audience today.

Mr. Cheney asked how the process went and what role the County Executive's Office, SUNY Orange and the Legislature played in getting them to where they are today with the appointments.

Mr. Porr mentioned that they were thankful that Ms. Wolfe and Mr. Krahulik stayed on while they were considering who should be placed on the board. He interviewed all of the individuals and briefed Dr. Young on the process and there were Legislators involved.

Mr. Cheney stated that he was happy the selection of individuals had strong financial backgrounds considering the circumstances they have been dealing with at the college.

Mr. Porr noted that they were all highly qualified people.

Mr. Benton was happy that they all had strong financial backgrounds but asked if there were any Legislators involved in the interview process. He added that he thought that they were clear during the contract negotiations and the buyout incentive last year, the Legislature was not happy with how the trustees handled the situation and wanted to find trustees that were tougher.

Mr. Porr responded that he was not sure how much tougher these individuals are but they are solid professionals with strong financial backgrounds.

Mr. Benton pointed out that was good but it had nothing to do with contract negotiations.

Mr. Porr commented that during the interview process there was a discussion about the financial capacity of the college and the need to bring new strength in that area.

Ms. Bonelli asked if these appointments bring them to a full board of trustees and Mr. Porr responded yes it does.

Mr. O'Donnell asked when Mr. Watson will begin and he responded September 1st. He confirmed the trustee appointments start July 1st and Mr. Porr replied yes, they do.

Mr. O'Donnell further asked if the old board voted Mr. Watson in for September 1st.

Dr. Young explained that there is a board meeting on Wednesday and the slate of officers will be presented on Wednesday with the budget but then there is not a scheduled board meeting until September.

Mr. Watson commented that they plan to meet over the summer.

Mr. O'Donnell asked for clarification if there are any executive positions for the new appointments and if they will have any input. If there are new board members coming in July 1st and the old board is picking who was going to oversee the board next year.

Mr. Watson stated that they have been in constant communication with the County Executive's office and the Director of Operations requesting they get the board members as soon as possible because there are vacancies that need to be filled and they need the additional assistance so sooner the better.

Chairman Ruszkiewicz mentioned that regardless of their position they all have equal votes.

Motion carried. All in favor.

Mr. Minuta moved the request by Orange County Community College to abolish Secretary, Grade 6 and create Human Resource Associate, Grade 10, seconded by Ms. Tautel.

Ms. Holmes explained that they always had two full-time secretaries in the Human Resources Department but last Fall both the secretaries left for other jobs. This was also the time that the college began their hiring freeze so both the positions were frozen. This past Spring, they re-evaluated the positions and determined that to help the college during the fiscal crisis they were facing, she offered to give up one secretary position and change to a higher-level position. The Grade 6 no longer meets the needs of her department and they now need someone with a lot of computer skills and human resources background. She added that by doing this it created a \$71,000 savings in the budget because the other two positions have full-time benefits and were senior positions whereas this will be entry level Grade 10 position.

Motion carried. All in favor.

Next on the agenda was Dr. Young and Ms. Dauer who provided a brief preview of the SUNY Orange 2019 Budget.

Dr. Young noted that as it was stated earlier, the board does not meet until Wednesday and at that time they will adopt the budget. She announced that the population of Orange County graduating seniors continue to decline for the foreseeable future and they had about 900 graduates over the course of an academic year. Their mission is not just about access but also about success.

Ms. Dauer displayed a power point presentation (on file in Clerk's office). She explained that they are resetting the enrollment and building a budget on what is a reasonable, realistic full-time equivalent student. Last year the budget was built based on 4,778 full-time equivalent students and this year is 4,560 which is a decline of 218 full-time equivalent students. If you convert that to tuition dollars it is \$1.1 million less in tuition revenues. The state funding has been less than the one-third as they promised. Another issue they have is the rising healthcare costs and the premiums went up last year by 12% and this past year they went up 10% and they have been informed to plan for a 9% increase in January. Another challenge they face are the union negotiations which are in progress. In recent years they have kept their tuition increase as low as possible although they did approve a \$200 increase for this coming year. There are not as many graduating high school seniors and it is a trend. She pointed out that the decline in students is not just in Orange County, it is a nation trend.

Dr. Young commented that when the economy is good, the community college enrollments go down, when the economy is bad, the enrollment goes up.

Ms. Dauer expected enrollment this year to be 4,515 and that is where the \$1.7 million revenue tuition short fall happened this year. They are hoping to increase the current year enrollment, the 4,515 by 1% will bring them to 4,560. They are asking for a 3% increase in county aid and noted that over the last two years they have not asked for an increase and this would be the second increase over a six-year period. They had a \$270,000.00 reduction in service fees from their late registration and technology fees. The technology fee is a fee that every student needs to pay. Another change they saw this year which she was not expecting was when they changed their payment policy by making deadlines. If students did not pay their tuition they would be de-registered from their classes. Since students were paying on time there was no late registration fee. This was not something she factored in but it saved the students about \$250,000.00 but it did have an impact on the budget.

She reviewed budget revenues and the projection of high school graduates which show an overall decline. Since the two unions are in negotiations there are no salary increases. The budget was set too low last year because the comptroller told her what the insurance rates were going to be and she did not think it could possibly be that high, but it was. Therefore, there was a 12% increase in health insurance built into the budget this year. They eliminated 14 full-time positions, 5 resulted from the voluntary retirement incentive agreement and 9 from the hiring freeze where they ended up with 20 or 21 vacancies so 9 are being eliminated from the budget. The increases built in which are the contract increases that they know are coming and the employee benefits are still rising. The budget has an increase of \$300,169.00 so the overall budget increase is .5% over last year.

Mr. Sassi asked if the \$200.00 increase in tuition was \$100.00 per semester and Ms. Dauer confirmed he was correct and added that it translated to \$4,976.00 annually per student.

Mr. Lujan asked if there was anything they could do to put pressure on the state to ensure we receive their contributions.

Dr. Young explained that the Presidents and the Trustees' Association and the Faculty Organization advocated to see if they could establish a baseline so the state would not fall below a certain dollar amount on their contributions having a minimum. Perhaps in a year or two they will have a model with the state to make this more stable but in the mean time they will continue to advocate.

Next on the agenda was Chairman Ruszkiewicz with a request for supplemental appropriation for the Soil and Water Conservation District.

Mr. Lujan moved the request for supplemental appropriation to the 2018 Orange County Budget for the Orange County Soil and Water Conservation District in the amount of \$100,000, seconded by M. Cheney.

Chairman Ruszkiewicz explained that this was for the drainage improvement project for Quaker Creek. There was a public hearing last month with two speakers who spoke in favor of the project.

Motion carried. All in favor.

Next on the agenda was Ms. Villasuso and Mr. Cozzolino for a quarterly update on the IDA.

Ms. Villasuso stated that they did not have a meeting last month so there was not too much to report. She announced that President Container was interested in expanding their operations in the Town of Wallkill with a \$50 million project. They might be going to the

Town of Wallkill IDA so it may not happen with Orange County although it is expected to **create sixty jobs so either way it is good. Café Spice was going to move to Beacon but it** turned out they are not and plan to stay in Orange County so they are working with them now. They upgraded some of their processes with the ABO Audit that they went through and made sure that they followed up with inactive or inappropriate projects and terminating

agreements. One of those agreements was in New Windsor with Shamrock Creek who failed to make their school district pilot payments and their county pilot payments so they terminated their pilot. She announced that the next IDA meeting was going to be June 14th in the Government Center and all were welcome to attend.

Ms. Villasuso continued to update the committee on the Accelerator and noted that their New Windsor facility continues to grow and there are a number of companies already there. They were previously at 4 Crotty Lane and they consolidated so it was just office space. She reviewed the success of the New Windsor facilities and pointed out that the Middletown Accelerator was fully occupied. They have been asked to have a stronger presence in Newburgh and they have been working on that. They are trying to work with a friendly landlord to offer a good rate that they can offer to their clients. They were recently visited by an incubator in Egypt who heard about them because they googled tech accelerators in New York. They talked about possibly partnering with them so they were excited.

Last on the agenda was Chairman Brescia requesting the appointment of James DiSalvo to fill the vacancy of Michael Bonura to the Orange County Industrial Development Agency and to the Orange County Funding Corp. for the remaining term to expire on 12/31/19.

Mr. Faggione moved the request to appoint James DiSalvo to the Orange County Industrial Development Agency, seconded by Mr. Sassi.

Chairman Brescia stated that many of the committee members know James DiSalvo and he felt that he brings a wealth of experience. Jim is focused on job creation, retention and business development in Orange County and he has served in many elected official capacities. He has been elected to the Highland Falls School District Board and manages four branches of Wallkill Federal Savings and Loan.

Mr. O'Donnell commented that he thought it was great for Jim to be on the IDA especially with his banking background and now being on the school board offers a lot for the IDA and thought he was a great choice.

Motion carried. All in favor.

Mr. Faggione moved the request to appoint James DiSalvo to the Orange County Funding Corp., seconded by Mr. Benton.

Motion carried. All in favor.

On the motion of Ms. Tautel, seconded by Mr. Benton, the meeting adjourned at 5:41 p.m.

