

Erie County Fiscal Stability Authority
Minutes of Finance Committee Meeting held October 10, 2007

(Note: the following is a draft copy of minutes of a meeting of the Finance Committee of the Erie County Fiscal Stability Authority ("ECFSA"), which was called for October 10, 2007 at 9:30 a.m. in the Auditorium of the Erie County and Buffalo Public Library. These minutes will not become final until approved at a subsequent meeting of the ECFSA Finance Committee, and may be amended before approval)

Present: Chairman Joseph Goodell, Director Johnson, Director Kruly, Director Robert Glaser, Executive Director Kenneth Vetter

Chair Goodell: "This is a meeting of the Finance Committee of the ECFSA. It is October 10, 2007 and the time is now 9:42am. The purpose of this meeting is to take into consideration the resubmission of certain efficiency grants that have been submitted by the County to the Authority. First of all we have to approve the minutes of the last meeting. Those minutes have been distributed. Does anyone have a comment on the minutes?"

Director Kruly moved, Director Johnson seconded, and the committee members unanimously approved the minutes of the previous meeting.

Chairman Goodell: "Now we will move into the efficiency grants themselves. Is Mr. Joe Cercone here? Then we will move onto risk management, Ms. Corcoran could you and your thundering herd come up?"

Bridget Corcoran: "Good morning. Thank you for meeting this morning. We wanted to follow up with some of the efficiency grants before we get into the budget and four-year plan process; just to try and clean up some efficiency grants for house cleaning issues. We are coming back with a revised proposal for the risk management initiative. Originally we had come in with a request for \$25,000. We now have looked to expand it. We have Mr. Ted Casey who is here with us today from Great Lakes, Environment and Safety Consultants. They are the winning bid for the risk management RFP that we issued. We put together the proposal; I believe you have the revised proposal for what we want to do. That is to do a staff analysis, begin training and also to do a long term plan. Mr. Casey is here to answer any questions and we also have Jerry Sentz here who was on the selection committee for the RFP. Basically they are here to day to ask for the money to go ahead with this initiative."

Chairman Goodell: "Go ahead. You wanted to make some comments on these three scopes of work items."

Bridget Cochran: “Basically what we want to do is to GAP analysis in the Brown & Brown report that was initially commissioned by PFM. That would be a starting point. What we also liked about Great Lakes is that they do site visits, ride along with the Department of Public works also the Parks Department; really get in there and see where we need to sure up some of the loose ends with the risk management safety initiatives from there we also want to continue with training. We are also going to have Great Lakes apply for NYS Dept of Labor grants for us and for that we are looking for another \$70,000 - \$80,000 in training. We want to do the training that is covered in that grant above and beyond what is covered by the State grant.”

Chairman Goodell: “Okay.”

Bridget Corcoran: “Do you have any questions?”

Director Johnson: “I believe this question goes back to the original presentation and I am concerned about whether or not this can be done internally. It appears to be a lot of staff development activities here versus reengineering and I am trying to determine what is the current capability of existing staff and management to take on these tasks.”

Bridget Corcoran: “What we want to do is develop more trainers within the Department. We have a Risk Manager and an Assistant Risk Manager to handle the claims to handle different initiatives but we also need more help within the departments. We would like to do more trainer to trainer programs, more safety training, more culture changes, more work with the unions. There is a lot that needs to be done with the outside consultant to really make safety an issue. We do have the internal staff in place being the Risk Manager and the Assistant Risk Manager, but we really need help to assist them to implement County wide policies and procedures that we have.”

Executive Director Vetter: “Mr. Chairman, if I could, in follow up to Mr. Johnson’s questions. I think one of the items that was put forward by this committee in the past was looking for not only the technical piece of what is here but looking at the place of risk management and safety in the County and giving some teeth to that because when Neil Sullivan was here I think there were some technical pieces in place but there is some level of degree of difficulty in getting the attention that is required and potentially a level of compliance. That it is essentially a staff function that tends to be pushed off to the side. I think that at the original meeting that seemed to be an issue and would really like to find out. I know we looked at a job description that looked at where risk management might fall within the organizational structure to give it higher profile and more teeth.

If there has been further consideration and what kind of documentation and plans there are to raise this from simply a mid level staff function to something that has some teeth to it and can be implemented instead of waiting for someone to implement it.”

Bridget Corcoran: “Are you looking for Mr. Sullivan’s job description to see where this is going to fall. This is a collaborative effort; we have the commitment of Commissioner Greenan. This is an initiative that the Law Department, the Budget Department and Personnel is collaborating to move forward. It is something that we are committed to and I don’t know if it will take monthly meetings of the departments but this is how we got to this point and the efficiency grant that there is the commitment from these departments which I believe are the key department to get the teeth and implement this and there will not be a change in personnel, I think Mr. Greenan is here for another year and it is not going to change with the new administration”

Chairman Goodell: “To follow on with what Mr. Vetter said I feel that safety and what we talked about earlier was better management of workers compensation; time off. I believe these go together and what Mr. Vetter is saying is that we believe a focus on safety and workers compensation, time off costs are a very good idea but we are worried about the fact that existing organizational structure where that responsibility lies is to diffused. That the very fact that you are asking to have individuals in various department trained in safety and workers compensation management indicates that that responsibility is at a low a level to really make something happen. What I look for is that this responsibility is at a high level and the person that is in that job has authority and to make something happen and that individual would come in and conduct safety training. I think safety training is part of every department it is like coming into work. I think that should go on all the time and also in workers compensation area I am still not comfortable that implementation would gain the results that we all hope for simply because of the organizational structure.”

Bridget Corcoran: “I can put together job descriptions and detail on how this will be managed when you are saying that, I mean it is very elaborate and some of the training that has been done is the one person snow operator for snow plow operations. So instead of Mr. Sentz doing the training, what we are saying is that instead of it being a department head, as soon as a snow plow operator is hired he has someone who does that training before someone even starts operating the plows. So that is type of thing, to make sure that there are polices when you have transfers within departments when

you hire those types of jobs that there is training within the departments that are available to do the training before the person even starts. So we want to make sure people are not just falling through the cracks and that we are not just doing a blitz of training and then is not ongoing or that it is not occurring for people who are transferred from another department from Parks into DPW. So that is why we are saying we want to have trainers in the departments available and to have training be ongoing.”

Executive Director Vetter: “If I could, let me ask is Mr. Casey with you. I think what we are talking about with you is where Risk Management falls within the organization structure and the realized strength of risk management You are the risk management consultant maybe you could address that issue.”

Ted Casey: “Sure, part of our gap assessment would be based on the Brown and Brown study but we wouldn’t hang our hats solely on that. We would do a full assessment inclusive of what you had said Mr. Vetter based on performance appraisals and safety as a piece of starting at the top level of Erie County. My background is with Delphi, I was formerly the safety and ergonomics director there and to your point safety does start at the top. We must make sure that there is a commitment from the top that trickles down and that there is value added for the organization. That means Erie County and down to the line level so there is a whole gambit of things we want to do and it would not just be training. There are engineering controls from a hierarchy of safety, we would start again at engineering out if there are hazards present, a piece of that will be safety training, GAP assessment, train the trainers because we want to walk the walk and essentially create a bunch of safety disciples if you would.”

Chairman Goodell: “I can see that but I am concerned that those persons that have been trained have no authority to do something that is a normal thing for your group to recommend. They don’t have the authority. They could go to a boss and say we shouldn’t be doing it that way. The boss can say well that is that way it is.”

Jerry Sentz: “Maybe I could jump in here and help. The way I am looking at this and what I like about Mr. Casey’s firm is that we need to change the mind set of people. One of my key people, I will call him the District Engineer or the Key Foreman. He is the guy that is in charge of my highway guys, he is the guy and does have the power to say put on your vest, where is your vest, where are your shoes, you can’t wear shorts when you are paving; that is the guy that, I mean we need to train all of the individual, we need to train

all of the plowers, the guys who are doing the general asphalt but it is the General Foreman that needs to train the disciples and he has that power. He needs to be the disciple to say when Joe walks out there and has shorts on, no you are going home. More importantly, I am very big on safety and I always go out and one thing I look for, the first thing I look for is to drive out and make sure all the signs are up and everything is there and he has got my backing so if he gets flack; if he tries to discipline them and the guy says no, he has got me behind him to take care of that and that is where the disciples come in. You are right, you are exactly right, you have to empower these people, you have to teach them and then you have to empower them to beat a higher level. For me it starts at the top and works down because as I am motivated for safety than my people start to get motivated for safety and if they see me out in the field they will know that if Jerry stops by we know that we ought to be wearing our safety vests.”

Chairman Goodell: “I understand.”

Director Glaser: “When I look at the scope of work which is numerated 1, 2, and 3. Essentially when you are doing your first part which is GAP analysis will you be coming up with what I think Mr. Goodell is saying because you evaluate what is going on in training but at the same time are you going to be evaluating whatever structural changed might be required even in terms of authority and putting some one in responsibility for this. What we want is accountability. These are all things that we think should be done but we need to raise accountability so that if something isn’t happening we know where to go to say get it done because you are not getting it done. I think these are all of the thing are probably the work put in here to date to get to here has probably been quite a bit but at the end of the day to really make these things functional, we need to have authority and accountability. If you don’t have either of those two things it will fail and we don’t want it to fail. So those are the two things we are trying to get at. So in your GAP analysis are there going to be challenges so that we know hey we can’t do this. This is a great idea but we just can’t get it done, than we can help you get it done”.

Jerry Sentz: “There definitely needs to be certain procedures in place if something does not get addressed. The examples I gave were easy; “Put your safety vest on.” There maybe something that is out of his hands and we need a procedure to say how does that get to the higher level. For instance, how does it get from the field to me so that I can say “Okay well I need to spend money on safety tape on my truck,” which we actually just did. That we have normal safety

meetings that we can act on in the field but that I can act on. That has to be part of the GAP analysis and needs to be formalized in writing so that there is a procedure in place. Maybe there is something that say we found this out today. This needs to get done, over and above this level and needs to go the next level”

Director Glaser: "... this is a good idea but we can't get it accomplished unless we bring to two or three different areas and need someone to sign off. That is one of the problems is that we seem to want to come up with simple solutions, we all do, but it is a complex environment in which we operate but we want to really start chipping away and improving that and so if you are doing this study and kind of looking at things we need to know where the challenges are and where are the road blocks. When we find those road blocks how to eliminate some of those things.

Jerry Sentz: "Where there are road blocks that certainly needs to get bumped up to my level as Commissioner because I'm the guy who can say alright maybe we need to bring in another department or an outside agency; bring them to the table to say okay here is my problem how can you help me to eliminate that and that is what the Gap analysis is for. You look at how did it get to me so that I know that I have something on my desk that I need to take care of."

Director Johnson: "Mr. Chairman, I guess when you talk about outside agencies it sparks a question from me. Under the proposal that you have for risk management that you have here what are the anticipated steps of collaboration that will take place if this is in operation?"

Ted Casey: "Again we are going to start at the highest steps of the organization, talking with Mr. Sentz, to understand where they treat safety, that priority is it? Everyone can talk that game but I want to see that they are walking the game. When we implemented culture change with my former employer we started at the top. Again it was a slow process but with the commitment of top leadership we were able to role it out and saw an improvement. From the staff point again we would talk to the highest folks at Eire County, to see if in fact is there commitment is there? An expectation to see if there is a staff work force? Is there a belief that all injuries are preventable? We would than take the answers and do, in essence, a check with the staff that is essentially doing the work and ask them do you have a safety issue? Do you talk to your boss, Mr. Sentz and so you get the respect and response that you feel you deserve relative to that issue? That is part and parcel to this roll out."

Director Johnson: “My second question is what, since this is suppose to be a County wide focus throughout the government, what key departments do you anticipate this would impact upon?”

Ted Casey: “Well all the departments could fall under this umbrella without having begun the GAP assessment which would include the looking at the injuries and the costs associated I wouldn’t be able to say at this point. But we want to go after the white elephant in the room and go from there.”

Director Johnson: “My third and last question is, have we conducted any type of investigation to see if there are any other units of government that may be conducting this type of training?”

Ted Casey: “Again we wouldn’t limit it to safety but one of our current clients is the NFTA and we do various types of work for them inclusive of inspections, audits and training. We also do work for the Town of Hamburg and we would not limit this to contract to training per say. Great lakes has executed a safety grant for Erie County 2 -3 years ago that was valued at \$70,000 which were able to use 93% of that. That is a separate thing that Ms. Cochran mentioned earlier. This is GAAP assessment, train the trainer and understand the safety and the process and priority relative to safety. It’s going to be at no holds bar, if there is no accountability for safety or expectations to safety we are going to note that and based on our experience in the world of safety we are going to pass that on to the powers that be and a decision will be made based on that.”

Director Johnson: “Thank you”

Chair Goodell: “Let me suggest that we approve the first part of this, the GAP Analysis of \$25,000 providing that part of the study include workman’s compensation and how to manage workman’s compensation and safety and the end result is an organizational chart that says where those items are and a job description.”

Bridget Corcoran: “Absolutely like I said there is a huge commitment on behalf of the personnel department when were interviewing the firms one of the questions that came up was what if one of our departments heads is not committed to it, they are not responding when you go back with a recommendation that “This needs to be done.” This is where Neil Sullivan comes in to play and I apologize there is open enrollment for health care next week and everybody is busy and weren’t able to attend to day. We also have the issue of right now we are really a bare bones staff. So if you have somebody out on workers compensation we can’t double fill those positions so any

manager is going to want to fill and get the job done. That is another reason why now is a good time to really work on this and make safety an issue. So we have had these conversation internally, we can put together a formal structure in place for you so that you do have a comfort level. Than we will back it up with GAP analysis to say that yes this is the process that we need to have in place. We have looked at it from a management aspect and also looked at it from Personnel Departments and the people that will handle personnel issues and the workers comp claims to get it to the Personnel Department. What should there responsibility be, what could they be doing to further impact litigation if there is a claim? So we want to make sure that the people have the power who need and also that we are not having people in positions to do things that they shouldn't be; that would have a negative impact down the road.”

Chair Goodell: “I think if we were to look at just what is here we would have a little trying to justify it on the basis of what we defined in the efficiency grant evaluation requires. However, if workman’s comp is a part of this analysis and what you come up with is a way to reengineer as necessary the responsibilities of managing workman’s compensation than it takes on a different hue from where I come form so can you except that in addition to the GAP analysis.”

Bridget Corcoran: “Absolutely, the goal is not to just do safety training, the goal is to reduce workers comp claims and what is paid out. Obviously coming from the budget office that is what our goal is. To make a safe environment for the workers but also to reduce the number of claims. We can definitely put something together for you.”

Chair Goodell: “Do my colleagues have anything more to add?”

Director Glaser: “I would just add, do you have a copy of our guidelines?”

Bridget Corcoran: “Yes.”

Director Glaser: “In terms of putting what Mr. Goodell is saying; to incorporate the GAP analysis?”

Chair Goodell: “We would go along with the \$25,000 as a way of showing how the safety workman comp process will be reengineered. I would like to ask my colleagues, who is in favor of approving of the GAP analysis for \$25,000 with the inclusion of the workman’s comp.”

Director Johnson moved to approve the grant, Director Kruly seconded, and all approved.

Chair Goodell: ‘You do realize Ms. Cochran that we do have to get the full board to approve this and we will recommend at the next board meeting that this be approved in this way.’

Cochran: “Thank you.”

Chair Goodell: “Next is?”

Executive Director Vetter: “Mr. Chairman it is the energy and conservation measures and I believe Mr. Sentz is here to discuss it. Is Mr. Sentz here to discuss the revised proposal?”

Chair Goodell: “Do you want to go ahead with the energy conservation right?”

Jerry Sentz: “Thank you very much. Back about a month ago I stood in front of you and asked you for approval on a small building audit. There were some comments that were made. I took those comments and I wanted to go back and redo the proposal and came up with something smaller and hopefully closer to what you were looking for. One thing that I wanted to do was to isolate, just pick out several buildings that would make sense. Something that was important that came up at the last meeting was what type of measurement process is there to make sure that we get these savings. I wanted to keep that as simple as I could and not in affect spend more money and come up with a way to verify it than it did to implement it. The best way to measurement verification is to do something called bill comparison. It simply is to compare the two bills and going through a normalization process that we need to for what may be a hot winter one year and a cold winter another year. So if I look through the different building in the proposal that is attached, in summary it approximately \$200,000 to implement the ECM. It is a discrete number of buildings; the savings would be approximately \$25,000 per year. We definitely can get the bill comparison method. I also want to makes sure I took every energy conservation measure that applied to that building, either gas or electric. I did not want to just cherry-pick the one that gets the quickest pay back so that we would get more saving with in that one building. That is the proposal that is in front of you today.”

Chair Goodell: ‘I think that at the last meeting we discussed the relevance of this to our efficiency grant guidelines. I think you have addressed some of the points that we discussed this at our last meeting. I would like to ask Mr. Kruly and Mr. Johnson if you have any questions.’

Director Johnson: “My concerns are the same that you just pointed out about the \$25,000 per year.”

Chair Goodell: “I have trouble fitting this into the guidelines. An eight-year payback where the savings are some what hard to pin down. I have been through these types of things before and you are talking about all this effort for \$25,000 a year. I think a lot of it is just simple everyday expenditures replacing thermostats and caulking windows and I have trouble trying to get this to fit our guidelines.’

Director Kruly: ‘I agree”

Chair Goodell: “Could I entertain a motion that we do not go forward to recommend this to the Board because it doesn’t fit the efficiency grant guidelines.”

Director Kruly: “I think Mr. Chair that you are correct and many of these items can fall into a maintenance program.’

Chair Goodell: “Do I hear a motion that we go forward and tell the Board that we did not approve of this.”

Director Kruly moved to disapprove the application for an energy conservation grant, Director Johnson seconded, and all the committee members voted in favor of the motion.

Director Glaser: “I think what we are saying is that these things should be done but just through normal operations.”

Chair Goodell: “A lot of these things are like what you do the first thing you come to work, you pick up a pencil or make sure the thermostat is set, the widows are caulked. Thank you and we are sorry that we can’t quite get a figure.”

Jerry Sentz: “Thank you.”

Chair Goodell: “The last one is information technology.”

Executive Director Vetter: “Mr. Cercone is not here so we will have to table it.”

Director Kruly: “I can only imagine that Mr. Cercone is fairly busy.”

Executive Director Vetter: “Yes, maybe if we could, because there is no efficiency grant application. Mr. Cercone wanted to give us an idea of what they would like to look at so I would suggest at this point, it was just a discussion item that there is no documentation or proposal to

table, that we have completed the agenda and that we adjourn the meeting.”

Chair Goodell: “Could you make sure he has a copy of these efficiency grant guidelines because we really want these sessions to become more productive if there is a focus on these. Does anyone have any other business to bring forth? Do I have a motion to adjourn?”

Director Johnson: “I will bring up again that I am still having problems about the space study. We have not received for this committee or the full board sufficient information that would indicate that the County is moving forward in a very expeditious way in getting the necessary space to accommodate the office needs internally before we start looking outside. At the last meeting the Commissioner of Public Works pointed out that the study has been delayed. We didn’t have any documentation to advice us about the progress that was promised in mid-September.”

Chair Goodell: “We had the promise of a draft in mid-September. I would like to ask Mr. Vetter to follow up and come down strongly that this committee all of us are disappointed in not being able to move forward on this.”

Executive Director Vetter: “Yes Mr. Chair, I will contact the Public Works Commissioner and let him know that that is our position and see if we could get that report. He has mentioned a revised date of mid to late October. I will see if there is something in place at this point that can be distributed.”

Chair Goodell: “Okay, if there are no other comments I declare the meeting adjourned.”

Respectfully submitted,

Stanley J. Keysa
Secretary