

**Minutes**  
**ECFSA Finance Committee Meeting**  
**July 15, 2008**

Director Goodell called the meeting of the Erie County Fiscal Stability Authority (“ECFSA”) finance committee to order at 9 a.m. Notice of the meeting had previously been distributed to all Directors and announced to the public and press.

Directors Present: Joseph Goodell, Ken Kruly, John Johnson and Robert Glaser

Chairman Goodell: “This is a meeting of the finance committee of the ECFSA. We are here to take action on some efficiency grants that were discussed earlier the first order of business is to approve the minutes of the May 15, 2008.”

Director Kruly moved, Director Glaser seconded and the Directors voted unanimously to approve the minutes of the May 15, 2008 finance committee meeting.

Chairman Goodell: “We had a meeting but there was not a quorum at the meeting so I do not believe that we need to approve these minutes just vote on their accuracy?”

Vetter: “That is correct Mr. Chairman.”

Chairman Goodell: “Do I hear a motion to confirm the accuracy of the June 27, 2008 minutes?”

Director Kruly moved, Chairman Goodell seconded and the Directors voted unanimously to confirm the accuracy of the June 27, 2008 minutes.

Chairman Goodell: “What we did at that meeting was to discuss the efficiency grant applications for the DMV and moving the County Attorneys into the Rath Building. I have had some thoughts since the meeting and I have listened to both Ms. Hochul and Ms. Mazzone regarding combing those to. My initial reaction was to split those two but we received compelling arguments from Ms. Hochul and Ms. Mazzone and would like to recommend to the full board that we approve these as one project. Could I get a motion to approve recommendation to the full board?”

Director Johnson moved, Director Glaser seconded and the Directors voted unanimously to recommend approval of the County Clerk and County Attorney Space Build-Out efficiency grant to the full board.

Chairman Goodell: “The second issue that we have today is an efficiency grant for the purchase of \$750,000 in Sheriff’s vehicles. Do we have someone here to speak on behalf of this item?”

Executive Director Vetter: “Yes, it is Undersheriff Doyle.”

*(Sheriff Doyle is approaching the podium)*

Chairman Goodell: "We have some questions for you."

Undersheriff Doyle: "Good morning. We have request \$750,000 to implement savings to the County to put in place a fleet replacement plan that has been destroyed over time because of the fiscal crisis that has occurred. Over the last three or four years we have purchased less vehicles than what we would normally purchase and, as a result, they are over-stressed and they are falling apart."

"These are police cars, obviously, and are driven under stress as it is, responding to emergency calls and chasing suspect, things of that nature, doing vehicle traffic enforcement and they are starting to fall apart literally."

"We are anticipating that we will be saving, if we purchase 30 vehicles with this grant, we are anticipating savings of about \$167,000 a year. That would include fuel efficiency. The areas where we would save money are in cars; we are spending about \$40,000 in transmissions and parts per year. We are spending about \$2,000 in towing. We are spending about \$11,000 in overtime. All of these things we think we can reduce to close to zero. Obviously there will always be car accidents and things of that nature. Again we think we would be able to save in the area of 2-3 miles per gallon just by having new vehicles with more fuel economy and we think over time this will result in savings to the tax payer."

Director Glaser: "The people that work on the maintenance right now, is that just the Sheriff's department that works on the fleet or is this part of what County Executive Collins talked about trying to get some more fleet maintenance centralization together. Is that how it is done? I just don't know and are we trying to coordinate what we are going to do going forward with that effort?"

Undersheriff Doyle: "Yes, we would be happy to coordinate, but we do have our own mechanic on staff and we have a fleet supervisor as well. We probably have the largest fleet maintenance in the County; car-wise. In terms of heavy equipment, you would have to include in that the Highway Department. So they do have their own highway barns, their own mechanics and things of that nature and we have had discussions in the past with previous administrations with looking at dividing this man power however obviously because of the size of our fleet we have a concern that we have some control over the priority of what gets fixed. But we do think, even with this efficiency grant money if we are successful in getting it, that even in our own department we will be able to reduce the overtime expenditures that we currently have because the fleet is at such stress that if there is a car that is down on midnights there is no car to replace it so we need to get a mechanic to come in and try and fix the car so that the officer has a car to patrol in. This program would help with that where there wouldn't be the need to call that person in and could wait for the next shift that they are on and there would be another replacement vehicle for that person to take."

“What I wanted to say, away from your question a little bit is that I didn’t address things like safety; vehicle safety, the officers’ safety, because the purpose of the efficiency grant is to save the taxpayer money. Obviously there is a large issue with the current stress of the fleet but for purposes of today’s discussion I am just trying to address the economic benefit.”

Director Glaser: “That is great. The second question is that it is my understanding that you are going to a different brand of car because it is more fuel efficient.”

Undersheriff Doyle: “Well, we are examining that currently. We did not put in a specific brand at this stage because it is a huge debate in the police world whether Fords are the best cars or the other two, Chevy or Dodge, are better. The reason why that is true is because the Ford is about the only car left that is rear wheel drive and has a full frame. Obviously with police cars it is beneficial to have a full frame because you are prone to more accidents than the general public because of the way you are driving, because of the fact that you are patrolling 24/7 and have more exposure. The fuel economy we are studying that right now and we are waiting for some 2008 figures before we make the final purchase. We are looking at purchasing Chevy Impalas if that is the wish of this board, but our preference would be to stay with the Ford, which would still save money over our current fleet, but the savings would probably be greater if we went to a Chevy Impala. We can look at a mixture of that and the last caution on going to a brand new car is currently we are cannibalizing our last fleet to replace parts, especially those that have been in motor vehicle accidents. We are taking the hoods, trunk lids, etc. so if we went to a different product now, we are trying to study how that would affect our future costs.”

Director Johnson: “The fleet replacement plan; are you coordinating this through any prior offer State contracts or are you just going straight to doing your own procurement?”

Undersheriff Doyle: “The purchase of vehicles is on State contract but it is actually bid as well and you have to order at a certain time of year. So the reason we are here now is because that time of year will be approaching. It will be in the fall. Generally, the late winter, early spring and then fall are the times to order because what the production lines do is interrupt their line to build police cars, so the timing on this is important because we actually just purchased a couple of vehicles recently and almost missed the window because we have to order them at the right time of the year.”

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“So every time you buy cars, it is a State Contract guideline but to put the equipment on like the light bars, radio installations, and the cages that you want is something that is bid out every time we purchase. So it is a combination of both.”

Director Johnson: “Is feasible to think that if we entered into the window at about the same time as the State Police we could see greater savings?”

Undersheriff Doyle: “We could investigate that, but from what I understand from the process (and purchasing actually does it, the Sherriff does not does his one), the vehicle price itself is State contract. The part that you put out for bid is the installation of the equipment that you want. So we buy the car off State contract and then put the equipment in at a local dealership. So I guess everyone in the State buys them of the state contractor and gets the same rate and goes local for the equipment installation.”

Director Kruly: “A couple of questions. How many vehicles are we purchasing for \$750,000?”

Undersheriff Doyle: “If they are Fords, there will be 30; if they are Chevys, depending on what the final price is, it might be a couple more. It depends.”

Director Kruly: “Are these then going to replace all the vehicles that will be eliminated from the fleet.”

Undersheriff Doyle: “Yes, we will be looking to take all the older vehicles that are costing us the most money. We will start with the oldest first, obviously, the most expensive cars. We keep track of maintenance on each vehicle, miles to the gallon, things like that on each vehicle, so we are looking to do those first. Then, depending on what brand we buy, we would look to replace certain cars before others. Frankly if we buy Chevys, we would be looking to replace all non-district cars first so we would be looking to do the special services cars and things of that nature. Transport cars we want to try and keep Fords because you can fit 3 people in the back for transport over long distances. Chevys can only be two, so we would have to study that a little bit. I don’t have all of the answers but we would look first to replace the most expensive cars.”

Director Kruly: “The goal is to end up with the same size fleet that you have now just the new cars would replace the old ones?”

Undersheriff Doyle: “We would probably reduce the number of cars because what we are keeping now are cars just because we can cannibalize them. We probably have more vehicles than we would end up with if we had a good fleet replacement plan.”

Director Kruly: “The last question I have is just out of curiosity. You mentioned that in 2005 there were no new vehicle purchased but in the past few years there were a few. In the old days we used to pay cash for Sheriffs vehicles. Have they been bonding them or have they been paying cash are you aware of that?”

Undersheriff Doyle: “They have been paying cash from what I understand. I am trying to think back. From 2004 until now they have been paying cash. I don’t think they bonded. I could be wrong and I don’t like to answer if I don’t know, but I am pretty sure it is cash out of the general budget.”

Director Glaser: "I have one more question and I might be a little bit off and you may not be able to answer it but I want to go back to the question I had about the maintenance and fleet maintenance. Mr. Vetter, you might know the answer to this. Does Collins have someone working on this?"

Executive Director Vetter: "If I could, I was at a Six Sigma steering committee in May and the County Executive indicated that this is an item that is ripe for attention and improvement through Six Sigma. He had recognized that in the notes of this meeting which department heads had attended and few outsiders that this is a program that he endorsed and thought it could save money for Erie County. So this is something based on the County Executive's comments and his senior staff that he is in favor of and looks forward to fleet management."

Director Glaser: "My only comment would be, and I know that this is different from what we are considering today but I would like to hear, is that we move forward with those things and try to see the efficiencies there too. I understand the cars and everybody up here understands the value of the cars and the reason why I am looking forward to doing this but I would also like to make sure that there is group cooperation amongst all of the departments. Are you at the Sheriff's department involved in Six Sigma in any way?"

Undersheriff Doyle: "Yes we are. The Sheriff is very support of it and has been to a number of meetings that I am personally aware of. He likes this and from the outside, we are all struggling with how it will translate into government service but we have a couple of areas that we think could definitely benefit from the process. Our booking procedures with prisoners are somewhat equivalent to a factory process so we are trying to get some new procedures in place. We are willing to do whatever is in the best interest of the County regarding mechanics, things of that nature. We would be willing to sit down with the County Executive. It is unfortunate in that we have done so on a number of occasions and it seems like every time we get close to working something out there is a financial disaster or something happens because personally I met with budget staff over time and they put in place in the plan. Generally speaking it would be 1/3, 1/3, 1/3 and it falls apart. We have talked about eliminating positions in the County or at least reducing some through attrition as we get through the repeated budget crisis."

Director Glaser: "Keep on working on it."

Undersheriff Doyle: "We are trying. That is something that government does have to do as we all know, especially when you talk about running government like a business. The difference personally I believe is government does not look 5 – 10 years down the road like a business does. That is our biggest obstacle."

Director Glaser: "One other question as it relates to these specific cars and I know that you buy them off a State contract. Do you buy them off the State contract and then purchase locally?"

Undersheriff Doyle: "As I understand the process, which is done by purchasing, so I throw that caution out there just in case I have some of the details wrong. Basically what we do is call County purchasing and say we want to buy 15 cars. It goes through their budget and the SAP process and then they do it. From what I understand, the vehicle itself is purchased off State contract price and that is the same price across the State. Then we need to put the emblems on, the light bars and we do some of that ourselves when we can but some of this stuff has to be done at a dealership and that is the part that is bid out. The local Ford dealerships will bid on the installation and delivery of the car itself."

Director Kruly: "Dealerships around the State bid on the State contract so it could be somebody from here, somebody from Long Island or Syracuse."

Director Glaser: "Hopefully it is someone from around here."

Undersheriff Doyle: "I am pretty confident in saying that the price for the vehicles is the same regardless, as Director Johnson said, that if the State Police decided to buy 50, if we could dovetail but I think if they buy 1 and we buy 10 it is the same price for the vehicle."

Director Johnson: "I would like to ask you another question. If the State Police decide that they are going to go forward, do we have to do that?"

Undersheriff Doyle: "We do not have to buy the same vehicle that the State Police do. The reason for the discussion on Chevy versus Ford is because PFM stated that the County could save a significant amount of money if the Sheriff's office went from Fords to Chevys. There have been some articles on that over time and we have been through a lot of debate over whether we should buy Chevys or Fords and the miles per gallon have changed over time. The initial reports were created in 2003 or 2004, so miles per gallon has changed. Some of the safety issues are still the same now than they were back then which doesn't translate well into dollars and cents but from our perspective, as managers of a police department, you have to consider the type of stuff we do. We are over the road, so rear wheel drive, full body frames are pretty important. The Chevys are good cars for other purposes, not district patrolling but for example detectives; if it is a non-emergency patrol then the Chevys are a good car and we are looking at trying to put those together. The last issue of that goes to what I said earlier. Right now because of the way our fleet is we are cannibalizing the Fords so we are trying to, as best we can, estimate the effect of buying a brand new car and adding it to our fleet; what that will do to our maintenance and car expense. Mostly they are anecdotal. If I talk to a City of Buffalo officer, they say they will never buy another Chevy for patrol as long as they live. They say they did it for I think two years and they said it was the worst experience they had. The problem is that they are front wheel drive and don't have a full body frame. Front wheel drive cars, when you abuse them, tend to break down faster. A lot of that is anecdotal and hard to write down."

Director Glaser: “When you are done with your analysis, could you just forward that to Mr. Vetter just so that we can see it?”

Undersheriff Doyle: “That will be part of the quarterly reports that will be provided to the board on how the status of the grant is.”

Chairman Goodell: “I think that I can assure you that this committee has no interest in participating in the decision whether to go Ford or Chevy. That should be your decision because we can not be sensitive to the trade offs. If you want to go with Chevys or for whatever reason you decide to go with Fords, that is just fine in terms of our approval. That’s fair gentlemen?”

Undersheriff Doyle: “Thank you, and we take that responsibility very seriously and we try to examine everything so that we are not just making these decisions out of hand. We try to study everything and discover what the long range costs will be and interpret that as it relates to our duties.”

Chairman Goodell: “I would like to add one addition to what Mr. Glaser just said. When you are ready to go forward with this and send this information to Mr. Vetter, if you would add or provide some kind of assurance that this is going to be at least a one to one replacement. Coming from the manufacturing business, manufacturing supervisors looked to buy Ford trucks, used those and cannibalize them. It was one of my hang ups. I think that it is important that you are not mad even though they might be derelicts.”

Undersheriff Doyle: “I can tell you this will be one for one, the only addition will be, as I stated earlier, right now we only have two cars in a district because that is all we have. We may put an additional car or two in that district, so if one does break down the officer can be driven to the other car or patrol, number one. Number two, the stress on each individual car will be less obviously because they won’t be putting the same number of miles on. These cars will not be used for additional take home cars, for Supervisors or anyone else. This will be used to replace cars for the guys on the road. They are driving cars with 160,000+ miles and these are cars the guys are driving everyday.”

Chairman Goodell: “Do I hear a motion from that this efficiency grant be recommended for approval to the full board?”

Director Glaser moved, Director Johnson seconded and the Directors voted unanimously to recommend approval of the Erie County Sheriff Road Patrol efficiency grant to the full board.

Undersheriff Doyle: “Thank ~~you~~,you and the guys on the road thank you as well.”

Chairman Goodell: “One final minor item, at our last meeting Mr. Kruly and I would like to report to the committee that we decided not to approve the request for \$75,000 for training employees in safety. We felt that was a stretch for what an efficiency grant is supposed to be so I think that we should take a vote that says that we will not report favorably to the board on this request.”

Director Johnson moved, Director Kruly seconded and the Directors voted unanimously to recommend rejection of the Risk Management efficiency grant to the full board.

Chairman Goodell: “Anything else, Mr. Vetter?”

Executive Director Vetter: “Mr. Chairman, just briefly, in reporting Mr. Hammonds will be at the full board meeting that starts in a few minutes. There has been a request from the Administration to take some of the money that was allocated for Six Sigma staffing to contract services. That is an item that really requires two approvals from the Board. One is for the potential contract that the County would have with the University of Buffalo. The second would be a reallocation of efficiency grant funding. Mr. Hammonds will be here at 10:00 am and we can discuss with him this request.”

Chairman Goodell: “Is that an efficiency grant issue or a simply a contract issue?”

Executive Director Vetter: “Mr. Chairman it really is both, it a contract potentially with the University of Buffalo and for this to occur, it would require the board to reallocate some of the moneys that were originally suppose to go towards Mr. Hammonds salary, that from my understanding when he has become Deputy County Executive, the Administration would like to bring in the University of Buffalo for a brief period of time to assume some portion of his duties.”

Director Johnson: “Mr. Chairman, I have a question for our Executive Director, are you asking that this be put on this agenda?”

Executive Director Vetter: “No Director Johnson, this is something that will come before the full board and Mr. Hammonds will be here to make a presentation at 10:00am regarding the rationale for doing this; the cost, the proposed contract. This is for the finance committee as an informational item at this point.”

Director Johnson: “The finance committee for a future date?”

Executive Director Vetter: “No, I am sorry. The Administration has requested immediate consideration at the board meeting of this item because they have seen that if there is not someone driving the Six Sigma process that change may not occur at the pace that they are anticipating.”

Chairman Goodell: “I don’t think that we should consider things at the board meeting unless they have been to the finance committee. An effort was made to stampede this once before by the County Executive and I think that he should review it here before it gets to the board. This should have been sent to committee. Do you gentlemen agree?”

Director Johnson: “I agree.”

Director Glaser: "Is this something we can do now or do we need some more information?"

Director Johnson: "We need a lot more information?"

Executive Director Vetter: "This request just came in at the end of last week so, as of this moment right now, we don't have documentation as to what the University of Buffalo is doing and what the background information is. Mr. Hammonds said that he would provide that information for us this morning. So no, we don't have that documentation."

Director Glaser: "I do have another comment that I would like to make and that is just, Mr. Vetter, if you could get this back to the County Executive, I am kind of disappointed with the speed and size of the efficiency grant requests that get and not get. We have just seen a few, one for Sheriff's cars and things that are important but I am actually surprised that we are not getting more requests for items for efficiency grants. We have a lot of money to spend and we don't seem to be getting any more creative ideas. I knew they are busy with a lot of other things, but I think I would like to suggest is maybe that we have Mr. Vetter or whoever it might be that needs to talk to them but the pace is very slow."

Chairman Goodell: "Perhaps it is appropriate for our board Chair to write a letter to County Executive Collins showing where our track record is because the efficiency grants that we have turned down, even in the Giambra administration, the biggest one I remember was \$500,000 for consulting to see whether police services throughout the County could be merged. That was based on no quotation and only a single piece of paper. So what we have rejected is pretty small and I think it is appropriate and I will ask the Chairman to write such letter."

Director Glaser: "It ties in a little with Six Sigma which as been going on for a while. There must be some good ideas coming out of that. The point is that we are trying to do something good. We have the money and funding to do it but we need a catalyst."

Executive Director Vetter: "If I could, Mr. Chairman and Director Glaser, with the pending approval the County of over just \$2.5 million, the Authority has granted the County over \$4 million in efficiency grants. Over the last seven months; the term of this Administration, the Authority will have granted (assuming that these are approved by the full board) we will have granted over \$3 million in efficiency grants over the last seven months which I think is a pretty large sum over a short period of time. So I recommend that the County come back with additional ideas but in terms of looking at what the board has done over the last seven months with the current Administration, funds have been flowing and ideas have been coming forward. Certainly more need to come forward but we are certainly not sitting on the money and looking forward to giving the efficiencies the grant money is intended for."

Chairman Goodell: “Is there anything else anyone would like to bring up at the meeting? Do I hear a motion to adjourn?”

Director Kruly moved, Director Glaser seconded and the Directors voted unanimously to adjourn.

Respectfully submitted,  
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Stanley J. Keysa  
Secretary

September 8, 2008