

ECFSA
Full Board Meeting
May 15, 2009

Vice Chair Goodell: “Good Morning, the Erie County Fiscal Stability Authority looks forward to bringing you an exciting afternoon. We are glad to see that we have such a good turnout because the show is going to be really spectacular.”

Secretary Keysa: “Mr. Chairman, are we selling tickets for this now?”

Vice Chair Goodell: “We ought to. The first order of business is the approval of the minutes from our last meeting. Mr. Keysa?”

Secretary Keysa: “Mr. Chairman, due to the hard work of Miss Martin we have those before us again. They were edited last night. You have the hard copy before you and unless there are any corrections, I would move the approval.”

Secretary Keysa moved to approve, Director Thomas seconded and the Directors voted unanimously to approve the following resolution:

Resolution No. 09-41

**APPROVING MINUTES AND RESOLUTIONS FROM
THE MAY 5, 2009 MEETING**

BE IT RESOLVED that the Erie County Fiscal Stability Authority approves the minutes of its May 5, 2009 meeting and ratifies and affirms seven resolutions numbered 09-29, 09-30, 09-31, 09-32, 09-33, 09-34, 09-35, 09-36, 09-37, 09-38, 09-39 and 09-40 that were approved on May 5, 2009.

This resolution shall take effect immediately.

Vice Chair Goodell: “Okay we have a few contracts. Mrs. Sinnott would you like to come up and explain the contracts?”

Comm. “Holly Sinnott: “Yes, thank you and good morning everyone. I am Holly Sinnott, the Commissioner from the Department of Environment and Planning. I wanted to extend a heartfelt thank you to you for agreeing to meet and review these contracts. It is very much appreciated. It has been a long road to come to this point. I just really wanted you to know that we appreciate it and I personally appreciate it.”

“We have two contracts before you this morning. One is for \$2.6 million for the Buffalo Niagara Convention Visitors Bureau (CVB) and then other is another for \$1.65 million for the Buffalo Niagara Management Corporation. One is the tourism operation and the other is the Convention Center. We are asking for

your approval today and I am here to answer any questions that you may have on those contracts.”

Vice Chair Goodell: “Are there any questions from the Board?”

Secretary Keysa: “I don’t have any particular questions other than; these contracts have now been approved and signed by the respected bodies? They were not at the last meeting.”

Comm. Holly Sinnott:” “They have been, I believe, approved and signed by the Chairperson of the CVB, Jennifer Parker. The administration has not yet executed the contracts yet, we were waiting for approval from this body.”

Vice Chair Goodell: “Why hasn’t the County Executive approved this?”

Comm. Holly Sinnott: “My understanding is that it requires the approval of this body before the County Executive can execute the contract.”

Vice Chair Goodell: “Is that true?”

Exec. Director Vetter: “Mr. Vice Chairman, I believe he could sign but generally when we receive contracts there is an understanding that they are agreed to and then they are fully executed at a later date, once the county receives documentation of their approval from the ECFSA. In this particular case, they were signed off and originals were delivered by the CVB yesterday afternoon with the chairs signature and a written request of the chair of the CVB for immediate request from the ECFSA this morning.”

Vice Chair Goodell: “Is there anyone else here from the County administration that is part of this issue?”

Martin Polowy: “I am from the County Attorney’s office.”

Vice Chair Goodell: “Okay, can you shed some light on why this has not been signed by the County Executive?”

Martin Polowy: “Sure, My name is Martin Polowy; I am the Second Assistant County Attorney. It is our understanding that the ECFSA must approve the contract before the County Executive can sign off on it and that is pursuant to the statute. If the County Executive were to execute the contract prior to your approval it would be an invalid contract thus violating that State statute which your board acts under.”

Vice Chair Goodell: “Mr. Bucki would you shed some light on this?”

Craig Bucki: “Good morning, Mr. Polowy is correct that if the County were to attempt to execute a contract worth greater than \$50,000 without the approval of the board, yes that would be illegal and that would improper, however if that would be a concern of the County Executive, some sort of premature execution, then what the County executive certainly could have done was to submit a letter or correspondence of some kind saying that we did not want to sign this because we

were worried about executing this prematurely but nonetheless this is a contract that we view favorably and would ask that you as a board approve it.”

Vice Chair Goodell: “Okay”

Secretary Keysa: “Mr. Vetter, was there a cover letter with this contract?”

Exec. Director Vetter: “Mr. Keysa, what you have in your packet is the latest version. The version that was passed out at the latest board meeting did come with a cover letter, did have the request and was signed off by county officials.”

Vice Chair Goodell: “Is that okay Mr. Keysa?”

Secretary Keysa: “That covers it at least in my opinion.”

Vice Chair Goodell: “Okay, so we have two contracts. You said that you believed that a contract was approved by the CVB.”

Comm. Holly Sinnott: “Yes, I am certain.”

Vice Chair Goodell: “Okay you are certain, that is better.”

Secretary Keysa: “Mr. Chairman I have noted that there is a signature by Mr. Geiger who is the President/CEO and also by Jennifer Parker who is the Board Chair, at least on the CVB portion.”

Vice Chair Goodell: “Right and we were trying to check out the County portion of it.”

“Mr. Kruly, do you have any questions?”

Director Kruly: “I don’t have any questions but it is unfortunate that we were lied to at the last meeting. I am glad that we are wrapping this up.”

“I would move for approval Mr. Chairman.

Director Thomas: “I will second.”

Vice Chair Goodell: “Are there any other questions?”

“I think it is a great disappointment to us, that there was an attempt to blow smoke at this Board at the last meeting. There was no contract at all because it takes two signatures to make a contract. There was a non contract that we were given. That is with certainty. We have checked the minutes which are recorded and it is very clear that you and Mr. Hammonds said that the contract was approved by the CVB and we can go forward. There is slightly less certainty about how long you had the contract before sending it to us. Your statement to us was something along the lines of “well it has been in my office about 24 hours” being that it was a Monday and roughly noon, well it was just a little bit hard to buy into the fact that negotiations went on a Sunday maybe Saturday to get this thing ready. With that said and we hope you and Mr. Hammonds will

work hard to get your credibility with the board back. With that there is a motion on the table that has been seconded.”

The board vote unanimously to approve the following resolution:

Resolution No. 09-42

**APPROVING CERTAIN CONTRACTS, SETTLEMENTS, AND
OTHER OBLIGATIONS BINDING THE COUNTY OF ERIE**

WHEREAS, Chapter 182 of the New York Laws of 2005 created the Erie County Fiscal Stability Authority (“ECFSA”) to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to “oversee [Erie] County’s budget, financial and capital plans; to issue bonds, notes or other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required steps toward fiscal stability;” and

WHEREAS, the ECFSA first imposed a control period upon the County of Erie (the “County”) by adopting Resolution 06-49 on November 3, 2006; and

WHEREAS, incident to and in furtherance of the imposition of the control period, the ECFSA adopted Resolution 06-51, which authorized a process for approving contracts, settlements, or other obligations binding or purporting to bind the County (“contract approval process”), on November 3, 2006; and

WHEREAS, in adopting Resolution 07-04 on January 11, 2007, the ECFSA renewed and continued the contract approval process authorized by Resolution 06-51; and

WHEREAS, the ECFSA has adopted Resolution 07-10, which replaces and supersedes the contract approval process authorized by Resolution 06-51; and

WHEREAS, the ECFSA must review and approve any contract, settlement, or other obligation, valued at greater than \$50,000, that binds or purports to bind the County or a covered organization, before it takes effect; and

WHEREAS, the County Executive or a “Responsible Official,” as defined in Resolution 07-10, has duly submitted a request for review of the contracts, settlements, and other obligations listed on the attached document; and

WHEREAS, the ECFSA Executive Director, after consultation with the ECFSA Staff, has recommended approval of each contract, settlement, or other obligation via written correspondence to each ECFSA Director;

NOW, THEREFORE, BE IT RESOLVED that the ECFSA approves the contracts, settlements, and other obligations listed on the attached document.

Department	Description	Amount
Environment and Planning-service contract	Pubic benefit service contracts for the Convention and Visitors Bureau and the Convention Center	\$2,600,000
Environment and Planning-service contract	Pubic benefit service contracts for the Convention and Visitors Bureau and the Convention Center	\$1,650,000

This resolution shall take effect immediately.

Secretary Keysa: “Mr. Chairman, that was suppose to cover both of the contracts, is that correct?”

Vice Chair Goodell: “Are there any other items for the control board?”

Secretary Keysa moved to adjourn, Director Johnson seconded and the Directors voted unanimously to adjourn.

Respectfully submitted,

Stanley J. Keysa, Secretary

May 26, 2009