

**Erie County Fiscal Stability Authority  
May 5, 2009**

Chairman Glaser: "I want to welcome everybody to the May 5, 2009 Board of Directors meeting for the ECFSA. With that we have a relatively short agenda and I think we can get through this relatively quickly. The first item of business will be to approve the minutes of the March 25, 2009 Board meeting."

Director Thomas moved to approve, Vice Chair Goodell seconded and the Directors voted unanimously to approve the following resolution:

**Resolution No. 09-28**

**APPROVING MINUTES AND RESOLUTIONS FROM  
THE MARCH 25, 2009 MEETING**

BE IT RESOLVED that the Erie County Fiscal Stability Authority approves the minutes of its March 25, 2009 meeting and ratifies and affirms seven resolutions numbered 09-13, 09-14, 09-15, 09-16, 09-17, 09-18, 09-19, 09-20, 09-21, 09-22, 09-23, 09-24 and 09-25, 09-26 and 09-27 that were approved on March 25, 2009.

This resolution shall take effect immediately.

Chairman Glaser: "The second order of business would be to talk about the finance committee meeting. I would like to announce that we started the meeting a little late because someone went over."

Vice Chair Goodell: "That is because we got some questions from the audience."

Chairman Glaser: "Okay that's what it was. I listened to it from the audience and thought it was a very good meeting."

Vice Chair Goodell: "The finance committee met and reviewed four efficiency grants. I will give you each one separately because there is an abstention on one.

"Space Utilization, the committee asked the board to approve the extension of that for one year."

Vice Chair Goodell moved to approve, Director Johnson seconded and the Directors voted unanimously to approve the following resolution:

**Resolution No. 09-29**

**APPROVING AN EFFICIENCY GRANT FOR ERIE COUNTY SPACE UTILIZATION**

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, Section 3957(a) of New York State Public Authorities Law provides that, subject to appropriations during State fiscal years 2006-07 through 2010-11, the ECFSA shall provide grants to the County of Erie (the “County”) to support activities that achieve savings through innovations and reengineering; and

WHEREAS, the County Executive submitted an efficiency grant for the services of a Space Utilization Coordinator to take advantage of excess space in county owned buildings to reduce the amount of leased space; and

WHEREAS, pursuant to this application, the County has chosen Michelle Mazzone to be its Space Utilization Coordinator; and

WHEREAS, the ECFSA Finance Committee met on May 5, 2009 to discuss the County’s Space utilization efficiency grant application; and

WHEREAS, on that date ECFSA Finance Committee directed Erie County Officials to provide benchmarks for Space Utilization related to this position. Those benchmarks were received on February 1st; and

WHEREAS, on May 5, 2009, the ECFSA Finance Committee voted unanimously to recommend to the ECFSA Board that efficiency grant funding be made available to the County to be used to fund the designated Space Utilization Position; and

WHEREAS, the ECFSA anticipates that the space reengineering will result in cost savings;

NOW, THEREFORE, BE IT RESOLVED based on the general recommendation of the ECFSA Finance Committee, the ECFSA hereby grants up to \$160,000 to the County in efficiency grant funding to be used for the purpose of funding its Space Utilization Coordinator; and

BE IT FURTHER RESOLVED that funds will be disbursed to the County in accordance with achieving benchmarks forthcoming from the county to the ECFSA no more than 90 days subsequent to the passage of this resolution:

BE IT FURTHER RESOLVED that One quarter of the annual grant will be disbursed within a reasonable period upon receiving an initial invoice from the county regarding expenses related to this efficiency grant; and

BE IT FURTHER RESOLVED that the Space Utilization Coordinator is hereby directed to provide an ongoing plan and schedule of true and reasonable Erie county cost savings directly related to the activities of the Coordinator position as a condition of the county receiving reimbursement for said position; and

BE IT FURTHER RESOLVED that the ECFSA Executive Director Kenneth Vetter send, via first-class mail, copies of this resolution to the County Executive Director Vetter; the County Comptroller; the Chair, the Majority Leader, the Minority Leader, and the Clerk of the County Legislature; and the Governor, the Comptroller, the Senate Majority Leader, and the Speaker of the Assembly of the State of New York.

This resolution shall take effect immediately.

Vice Chair Goodell: “We discussed something called “thin client technology” and we won’t get into the definition of thin and less fat but what we did was approve an expenditure up to \$75,000 to bring in some outside help and the selection of that and the cost to be reviewed by Mr. Vetter. We want to see a long term 3-5 year plan for the use of IT by the different parts of County government and I want to make it clear that this is not a top-down plan; we want to see a bottom-up plan that involves all of the operating entities around the County. I move that the board approve an expenditure \$75,000 subject to the qualifications that I just gave for the use by the IT department to put this all together.”

Director Thomas seconded the motion.

Chairman Glaser: “Before I ask for roll call, I just want to clarify that we are approving up to \$75,000 to help make sure that it is a comprehensive plan?”

Vice Chair Goodell: “Correct, Correct.”

Chairman Glaser: “...and that some of the material that we saw indicated that this could be as extensive as a couple million dollar project and we are looking at it favorably but want to make sure it is going in the right direction.”

Vice Chair Goodell: “We want to see how it fits in with the needs of the County as defined by the users.

Chairman Glaser: “Alright, this is a good one.”

The board members then voted unanimously to approve the following resolution:

**Resolution No. 09-30**

**APPROVING AN EFFICIENCY GRANT FOR ERIE COUNTY THIN CLIENT TECHNOLOGY**

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, Section 3957(a) of New York State Public Authorities Law provides that, subject to appropriations during State fiscal years 2006-07 through 2010-11, the ECFSA shall provide grants to the County of Erie (the “County”) to support activities that achieve savings through innovations and reengineering; and

WHEREAS, the County Executive submitted an efficiency grant for the county to achieve savings through “thin client” technology; and

WHEREAS, the ECFSA Finance Committee met on May 5, 2009 to discuss the County's "thin client" efficiency grant application; and

WHEREAS, on May 5, 2009, the ECFSA Finance Committee voted unanimously to recommend to the ECFSA Board that efficiency grant funding of up to \$75,000 be made available to the County to be used to fund a study that provides the ECFSA with an overall information technology plan, for which "thin client" would be one component; and

WHEREAS, the ECFSA anticipates that the information technology plan will result in cost savings;

NOW, THEREFORE, BE IT RESOLVED based on the 1 recommendation of the ECFSA Finance Committee, the ECFSA hereby grants up to \$75,000 to the County in efficiency grant funding to be used for the purpose of funding an overall information technology plan to be forwarded to the ECFSA; and

BE IT FURTHER RESOLVED that the ECFSA Executive Director Kenneth Vetter send, via first-class mail, copies of this resolution to the County Executive Director Vetter; the County Comptroller; the Chair, the Majority Leader, the Minority Leader, and the Clerk of the County Legislature; and the Governor, the Comptroller, the Senate Majority Leader, and the Speaker of the Assembly of the State of New York.

This resolution shall take effect immediately.

Vice Chair Goodell: "There were two Six Sigma requests. I'll deal with the first one first. The request is to extend funding for a Six Sigma initiative. This is basically for the individual running the program. The committee agreed to fund that for one more year and we expect to see a thorough one-year analysis of Six Sigma savings within the next couple of months and will want the full board meet and really have a thorough look at it. So I move that we approve expenditures for one more year through 2010 subject to the qualifications that I just mentioned."

Vice Chair Goodell moved to approve, Director Johnson seconded, and the Directors duly voted to approve the following resolution, with Director Kruly abstaining:

**Resolution No. 09-31**

**APPROVING AN EFFICIENCY GRANT FOR SIX-SIGMA IMPLEMENTATION STAFFING**

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, section 3957-a of the New York Public Authorities Law ("Public Authorities Law") provides that, subject to appropriations during New York State fiscal years 2006-07 through 2010-11, the ECFSA shall provide grants to the County of Erie (the "County") to support activities that achieve savings through innovations and reengineering; and

WHEREAS, the County Executive has applied for an efficiency incentive grant (“efficiency grant”) to fund implementation of “Six Sigma” methodologies in County government; and

WHEREAS, in connection with this application, the County has identified William Carey to serve as its Director of Six Sigma implementation (the “Six Sigma Director”); and

WHEREAS, the ECFSA Finance Committee (the “Finance Committee”) met on May 5, 2009, to discuss the County’s application for an efficiency grant to fund Six Sigma’s implementation; and

WHEREAS, on May 5, 2009, the Finance Committee directed County officials to provide benchmarks for the realization of savings pursuant to Six Sigma’s implementation; and

WHEREAS, on May 5, 2009, the Finance Committee voted unanimously, with one abstention, to recommend to the ECFSA Board of Directors that one year’s salary in efficiency-grant funding be made available to the County to subsidize the Six Sigma Director’s salary for 2010;

NOW, THEREFORE, BE IT RESOLVED that, pursuant to the recommendation of the Finance Committee, the ECFSA hereby allocates up to \$163,334 in efficiency-grant funding for the County to subsidize the Six Sigma Director’s salary for 2010; and

BE IT FURTHER RESOLVED that the Six Sigma Coordinator is hereby directed to provide an ongoing plan and schedule of true and reasonable Erie County cost savings directly related to the activities of the Coordinator position as a condition of the county receiving reimbursement for said position; and

BE IT FURTHER RESOLVED that, pursuant to this efficiency grant, the ECFSA expects the County to achieve the benchmarks to be agreed upon by the ECFSA and the county will provide ongoing, reasonable, verifiable savings estimates as a result of the efforts of this position:

BE IT FURTHER RESOLVED that the ECFSA Executive Director Kenneth Vetter shall send copies of this resolution, via first-class mail, to the County Executive Director Vetter; the County Comptroller; the Chair, the Majority Leader, the Minority Leader, and the Clerk of the County Legislature; and the Governor, the Comptroller, the Senate Majority Leader, and the Speaker of the Assembly of the State of New York.

This resolution shall take effect immediately.

Vice Chair Goodell: “The second one is to fund Six Sigma training for an additional two years. The committee felt that consistent with the prior efficiency grant that we should approve it for one year subject to all of the qualifications I discussed earlier. So I move that the board approve the extension of Six Sigma training for one more year subject to the reviews that I discussed earlier.”

Vice Chair Goodell moved to approve, Director Thomas seconded and the Directors voted to approve the following resolution, with Director Kruly abstaining:

**Resolution No. 09-32**

**APPROVING AN EFFICIENCY GRANT FOR SIX-SIGMA TRAINING**

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, Section 3957-a of New York State Public Authorities Law provides that, subject to appropriations during State fiscal years 2006-07 through 2010-12, the ECFSA shall provide grants to the County of Erie (the “County”) to support activities that achieve recurring savings through innovations and reengineering; and

WHEREAS, the County Executive submitted an efficiency grant for 6 Sigma training; and

WHEREAS, pursuant to this application, the County has chosen the University at Buffalo and Canisius College to perform said training; and

WHEREAS, the ECFSA Finance Committee met on March 13th to discuss the County’s 6 Sigma training efficiency grant application; and

WHEREAS, on May 5th, the ECFSA Finance Committee voted unanimously (with one abstention) to recommend to the ECFSA Board that up to \$152,662 in efficiency grant funding be made available to the County to be used to fund the designated 6 Sigma training for 2010; and

WHEREAS, the ECFSA anticipates that the Six Sigma reengineering of the County’s operations can deliver necessary services in a more efficient and effective manner resulting in recurring cost savings;

NOW, THEREFORE, BE IT RESOLVED based on the recommendation of the ECFSA Finance Committee, the ECFSA hereby grants up to \$152,662 to the County in efficiency grant funding to be used for the purpose of funding its Six Sigma training for 2010.

This resolution shall take effect immediately.

Chairman Glaser: The only comment I would like to make in listening from the audience is that the savings so far were targeted at \$1.3 million but look like for 2008 that they were about \$2.2 million and are projected a little more for 2009. If in fact those savings hold up, these are in fact good efficiency grants.

Vice Chair Goodell: Right, right and we want to make sure that there are real cash savings. It is expected that Mr. Kruly, Mr. Thomas and Mr. Vetter will spend some time digging into that.

Chairman Glaser: That would be great. That was a good report as well as a good meeting. The next item is the ECFSA borrowing. There are a number of resolutions that we need to put on the table to finalize this but as we sit today it looks like May 29<sup>th</sup> will be the day that we will be signing documents and will either be funded that date or a few days afterward so the money will be coming and it will be within a couple of weeks so we are all very excited about that finally happening. With that being said we have received the highest rating from Fitch so that does drive down the cost of borrowing so we are glad about that. I don’t know if the one

from Moody's is coming. It is in draft form at this point. Moody's has indicated that we would receive a MIG 1 rating which is the highest short-term rating possible. The final report from Moody's will be out either close of business or tomorrow morning.

Chairman Glaser: "Alright, great news. Are there any questions relative to the borrowing? Okay.

"I believe there are three resolutions related to this. Mr. Vetter if you could take us through these?"

Executive Director Vetter: "Mr. Chairman, the first resolution is regarding mirror bonds for the County. Since we are in a control period at this point, we would have to authorize the County to enter into agreement with the Authority regarding the BANs that are being issued. There is a resolution in your packet and in front of you at this point that would authorize the County to enter into that mirror BAN agreement with the authority to issue notes to the public.

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

**Resolution No. 09-33**

**AUTHORIZING THE ISSUANCE OF MIRROR BONDS AND/OR  
BOND ANTICIPATION NOTES  
TO FUND ERIE COUNTY'S 2007, 2008 AND 2009 CAPITAL PROJECTS**

WHEREAS, Chapter 182 of the New York Laws of 2005 (the "ECFSA Act"), as amended, 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, New York Public Authorities Law ("Public Authorities Law") section 3961 provides circumstances under which the ECFSA may finance Erie County's costs, including the costs of capital projects; and

WHEREAS, pursuant to Public Authorities Law section 3961(1), the ECFSA may commence such financing only upon a request "made by and through the county Executive Director Vetter after approval by the [county] legislature;" and

WHEREAS, Public Authorities Law section 3959(2)(i) requires Erie County (the "County") not to pursue capital borrowing on its own, "unless first reviewed, commented upon and approved by the [ECFSA];" and

WHEREAS, the County cannot borrow for capital projects without the approval of the ECFSA, and the ECFSA cannot issue bonds to fund the County's capital projects absent a request from the County Executive after approval by the County Legislature; and

WHEREAS, on January 4, 2008, the ECFSA adopted Resolution 08-12, which authorized a “mirror bonding” transaction that would allow capital borrowing for County projects to move forward; and

WHEREAS, representatives of the ECFSA and the County have discussed circumstances under which the ECFSA might issue bond anticipation notes (the “2009A BANs”) to fund the completion of \$103,535,000 in projects in the County’s 2007, 2008 and 2009 Capital Programs, and;

NOW, THEREFORE, BE IT RESOLVED that the County of Erie is hereby authorized to sell and issue up to \$105,000,000 (currently estimated to be approximately \$103,535,000) in “mirror” bonds and/or notes in anticipation thereof to the ECFSA, to fund a portion of the costs of the County’s 2007, 2008 and 2009 Capital Programs in connection with the ECFSA’s 2009A BANs.

This resolution shall take effect immediately.

Executive Director Vetter: “Mr. Chairman, the second resolution is with regard to appointing a trustee because when bonds are issued, there is a sales tax intercept and the sales tax receipts must go to the trustee first, because if there are any outstanding bonds and there is any potential whatsoever that those bonds needed to be covered through other means, the trustee has to have those funds in hand albeit momentarily. The resolution in front of you authorizes M&T, the lowest bidder, who is charging us \$1,000, no legal fees, no set up fees to be the trustee for this account.”

Director Johnson moved to approve, Director Kruly seconded and the Directors voted unanimously to approve the following resolution:

**Resolution No. 09-34**

**APPROVING THE APPOINTMENT OF MANUFACTURERS AND TRADERS TRUST  
COMPANY AS TRUSTEE RELATING TO THE SALE AND  
ISSUANCE OF SERIES 2009A BOND ANTICIPATION NOTES**

WHEREAS, Chapter 182 of the New York Laws of 2005 (the “ECFSA Act”), as amended, 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, Section 3954(4) of New York Public Authorities Law grants the ECFSA the power to make and Executive Director Vetter contracts or agreements necessary or convenient to carry out its purposes; and

WHEREAS, on March 25, 2009, the ECFSA adopted a resolution authorizing the issuance of up to \$139,000,000 in Series 2009A Bond Anticipation Notes (the “Series 2009A Notes”), to finance a portion of the costs arising from the County’s 2007, 2008 and 2009 capital projects; and

WHEREAS, the ECFSA intends to issue approximately \$103,535,000.00 in such Series 2009A Notes; and

WHEREAS, the ECFSA must select a firm to act as trustee, registrar, paying and tender agent in connection with the issuance of the Series 2009A Notes; and

WHEREAS, such selection must be made “on a competitive basis to the maximum extent possible,” pursuant to section 401 of the ECFSA’s Guidelines Regarding the Use, Awarding, Monitoring and Reporting of Procurement Contracts (the “Procurement Guidelines”); and

WHEREAS, the ECFSA issued a request for proposals for trustee, registrar, paying and tender agent services on and, upon receiving responses to the request, a selection committee of ECFSA Directors and staff evaluated proposals received and selected Manufacturers and Traders Trust Company as the most capable and cost effective, of providing such services to the ECFSA as needed in connection with ; and

NOW, THEREFORE, BE IT RESOLVED that the ECFSA engage Manufacturers and Traders Trust Company to provide trustee, registrar, paying and tender agent services in connection with the Series 2009A Notes; and

BE IT FURTHER RESOLVED that such services shall be undertaken for such amounts and on such terms as agreed upon by the Chairman or the ECFSA Executive Director Vetter; and

BE IT FURTHER RESOLVED that the Chairman or the ECFSA Executive Director Vetter are hereby authorized to open such accounts in the name of the ECFSA with Manufacturers and Traders Trust Company, or an affiliate thereof, as may be required or appropriate in connection with the Series 2009A Notes; and

BE IT FURTHER RESOLVED that the Chairman, ECFSA Director and/or the Executive Director Vetter are hereby authorized and to enter into such agreements with Manufacturers and Traders Trust Company as may be necessary to accomplish the purposes of these resolutions (including without limitation a Resolution and Series Resolution); and

BE IT FURTHER RESOLVED that this resolution shall supersede any previous resolutions of the ECFSA with regard to contracting for trustee, registrar, paying and tender agent services in connection with the Series 2009A Notes.

This resolution shall take effect immediately.

Executive Director Vetter: “The third resolution is with regard to extending the services of our bond counsel, Phillips Lytle. Related to this transaction, we had gone through and RFP process and were in the middle of a transaction and did not see it beneficial to complete that process because our current legal counsel that had prepared the documents, were very familiar and we had assumed at the time that this process would have been done by April 30<sup>th</sup>. A resolution passed by the Board in 2008, extended their service through April 30, 2009. We are now beyond that date. There is a resolution in front of you to extend our bond counsel through December 15, 2009 which is the date in which our bond counsel and other services required for bonding are ended before they will need to be bid again. So this would give authorization to extend our bond counsel through December 15,

2009. Prior to that time a new RFP would have to be issued for services subsequent to that date.”

Vice Chair Goodell moved to approve, Secretary Keysa seconded and the Directors voted unanimously to approve the following resolution:

**Resolution No. 09-35**

**EXTENDING PROFESSIONAL SERVICE CONTRACT**

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, Section 3954(4) of New York Public Authorities Law grants the ECFSA the power to make and Executive Director Vetter contracts or agreements necessary or convenient to carry out its purposes; and

WHEREAS, the ECFSA issued a request for proposals for bond counsel in October 2007 and, upon receiving responses to the request, a selection committee of ECFSA Directors and staff evaluated proposals received and selected Phillips Lytle LLP (“Phillips Lytle”) as the most capable of providing professional bond counsel services to the ECFSA on an as-needed basis for a period of one year;

WHEREAS, the one-year agreement with Phillips Lytle expired on October 22, 2008;

WHEREAS, the ECFSA re-issued a request for proposals for bond counsel services in October 2008;

WHEREAS, resolution 08-100, approved at ECFSA’s November 3, 2008 meeting, extended the engagement with Phillips Lytle, as bond counsel, through December 31, 2008;

WHEREAS, resolution 09-, approved at ECFSA’s December 15, 2008 meeting, extended the engagement with Phillips Lytle, as bond counsel, through April 30, 2009;

WHEREAS, ECFSA Directors and staff have been working diligently with Phillips Lytle on borrowing on behalf of the county and desire additional time to adequately evaluate all proposals received ;

NOW THEREFORE BE IT RESOLVED, that the ECFSA engage Phillips Lytle to provide bond counsel services on an as-needed basis until ECFSA directors and staff have had a further period of time to evaluate proposals received in response to the request for bond counsel services, which shall not be later than December 15, 2009. Such services shall be undertaken for such amounts and on such terms as agreed upon by the Chairman or ECFSA Directors; and

BE IT FURTHER RESOLVED that this resolution shall supersede any previous resolutions of the ECFSA with regard to contracting for financial advisory, legal advisory, bond counsel and underwriting services.

This resolution shall take effect immediately.

Chairman Glaser: "I think that is all the resolutions we have. Moving on to the contract. Mr. Vetter, could you take us through the contracts?"

Executive Director Vetter: "Yes, Mr. Chairman. In front of you are two separate lists. There are the contracts that have been submitted from the County. We have gone through these and had a number of questions on a few items that have been answered by Erie County so at this point staff would recommend that items 1-1 through 6-5; everything before social services be considered as a slate. Any questions that have been posed by the County have been adequately answered and can recommend those as a slate."

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

**Resolution No. 09-36**

**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 Vetter, 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
Buffalo and Erie County Library-purchase contract-NYLINK, SUNY	2009-2010 NYLINK/OCLC 2009-2010 subscription	\$70,900.65 – all library funds
Buffalo and Erie County Library-purchase/service contract-Envision Ware Inc	RFID system	1,361,056.71 – ECFSA funds
County Attorney-Legal Claim	Workers Comp Claim-Sandra Frasier	\$85,000- all local share
Environment & Planning-Federal Grant-CDBG, City of Lackawanna	City of Lackawanna, Dorrance & Eagen	\$187,025 – no county local share
Environment & Planning-Purchase contract-Fleet Maintenance Inc	Freightliner M2-106 Chasis	\$69,743.30-no share amounts
Environment & Planning-Purchase contract-Joe Johnson Equipment	Truck mounted sewer flusher	\$117,707- all sewer funds
Environment & Planning-Purchase contracts-Emerling Chevy	Purchase 2 Chevrolet Silverado’s	\$62,998.92-all sewer funds
Environment & Planning-service contract-Waste Management	Incinerator Ash Disposal	\$109,800-all sewer funds
Environment & Planning-service contract-Peter J. Smith	Feasibility analysis for Black Rock Canal Park	\$150,000 – no local share
Environment & Planning-purchase contract- S and W Contracting	Sewer District No 3-Roof replacement phase III	\$178,750-all sewer funds
Environment & Planning-Change order-CRA Infrastructure & Engineering Inc	Depew Overflow retention facility	\$29,986.38 – all sewer funds
Environment & Planning-purchase contract-Jones Chemical	Liquid Sodium Hypochlorite	\$185,000-sewer funds
Environment & Planning-grant funds-CDBG, Rural Transit Service Inc.	Rural Transit Service	\$252,037 – no county share
Environment & Planning-grant funds-CDBG, West Seneca	Town of West Seneca Graham Avenue	\$100,000- no county share
Environment & Planning-federal grant-CDBG, Elma	Town of Elma-New Bullis Road	\$100,000- no county share
Erie Community College-Easement-YMCA	Erie County and ECC will provide a easement to the YMCA for usage of Tech Drive and ECC’s north campus	\$6,000-annually – college funds
Health-service contract-Belmont Shelter Corp	Lead Hazard Control	\$1,948,450-no local share
Health-purchase contract-CSI/Jewett	Morgue Coolers	\$123,368-

		\$78,955.52 local share
Parks-purchase contracts-Jacobsen Turf Equipment	Purchase of four turfcats	\$114,560.62 – no local share
Probation-purchase contract-Automon Software and Information Management Systems	Caseload Explorer Software	\$143,000 – ECFSA funds
Public Works-service contract-Change order-Foit-Albert Associates	Buffalo and Erie County Botanical Gardens-New growing house	Not to exceed 91,850-all local share
Public Works-service contract-change order-Robson Woese, Inc.	Buffalo and Erie Botanical Gardens-New Growing House	\$20,600-all local share
Public Works-purchase contract- Blue Book delineated vendors	Construction and maintenance materials for use by the Erie County DPW and Division of Highways	\$17,288,048.11-all local share
Public Works-Change order-DiDonato Associates	Change order for Maple Road	\$381,108-\$19,055.40 local share
Public Works- Federal Aid Agreement-NYS DOT	Rehabilitation of Maple Road	\$12,793,000-local share \$289,650
Public Works-purchase contract-NYSOGS	Road striping Ennis Paint Inc and Poly Card Inc	\$250,000-all local share
Public Works-purchase contract-Simplex Grinell	Coca Cola Park fire alarm system replacement	\$56,100-all local share
Public Works-construction contract-Thyssen Krupp Elevator Corp	Performing elevator modernization at the Erie County Home	\$323,673-all local share
Public Works-construction contract-Miller Enterprises	Performing elevator modernization at the Erie County Home	\$81,400-all local share
Public Works-construction contract-Tunney Electric	Performing elevator modernization at the Erie County Home	\$58,998-all local share
Public Works-change order-Clark Patterson Associates	Parkview Drive Bridge	\$1,898,693-\$379,738.60 local share
Public Works-construction change order-Weydman Electric and Communications	Fire training academy-new live burn building	\$2,461.69-all local share
Senior Services-funding from Independent Health	Independent Health sponsorship of a van-Going Places Van Sponsorship program	\$57,000-no local share
Senior Services-service contract – 17 delineated agencies	Community based agencies to provide CSE and EISEP funding	\$1,689,543-\$422,386 local share
Senior Services-service contract – need agency list	Contract with various licensed home care agencies to provide personal care and related services	\$2,060,750-\$151,187.50
Senior Services-service contract – Delineated agencies	Various qualified agencies to provide social adult day care	\$260,160-\$65,040 local share
Senior Services-service contract-Catholic Charities	Catholic Charities of Buffalo to provide social adult day care for frail elders and respite for their caregivers	\$144,280-\$35,000 local share
Senior Services-services contract- Delineated agencies	2008-2009 CSE/EISEP contracts	\$40,700-no local share
Senior Services-service contract-Supportive Services Corp	Title V Senior Aides and Senior Community Service Employment	\$1,069,090-\$84,000 local share

Senior Services-service contract	Title V Senior Aides and Senior Community Service Employment	\$297,400-\$18,000 local share
Senior Services-service contract-Town of Amherst	Stay Fit Dining Program	\$99,924-no local share
Senior Services-purchase contract-Medical Answering Services Inc	Purchase of Personal Emergency Response system for frail elderly clients	\$90,000-\$22,500 local share

This resolution shall take effect immediately.

Executive Director Vetter: “Based on potential conflict, I would recommend that items 6-6 to 6-7 which are Social Services contracts, Secretary Keysa has indicated that given his relationship with clients within the Department, he requests to recues himself from those items, so items 6-6 and 6-7 be recommended as a slate to allow Secretary Keysa to recues himself.”

Vice Chair Goodell moved to approve, Director Thomas seconded and the Directors duly voted to approve the following resolution with Secretary Keysa abstaining:

**Resolution No. 09-37**

**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 Vetter, 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
Social Services-service contract-ECMC-CASAC	Renewal of funding for CASAC	\$376,328-163,164 local share
Social Services-service contract-ECMC-Vocational Rehab services	Renewal of 2009 contract with ECMC Division of Chemical Dependency	\$400,000-\$168,750 local share

This resolution shall take effect immediately.

Executive Director Vetter: “In that same vein, they are two more Social Services contracts with ECMC which may also cause another board member to recues himself. I would recommend these as a slate to board members to recues themselves on these issues.”

Vice Chair Goodell moved to approve, Director Thomas seconded, and the Directors duly voted to approve the following resolution, with Chairman Glaser and Secretary Keysa abstaining:

**Resolution No. 09-38**

**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 Vetter, 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
Social Services-service contract-ECMC-CASAC	Renewal of funding for CASAC	\$376,328-163,164 local share
Social Services-service contract-ECMC-Vocational Rehab services	Renewal of 2009 contract with ECMC Division of Chemical Dependency	\$400,000-\$168,750 local share

This resolution shall take effect immediately.

Executive Director Vetter: “Mr. Chairman, on the second list, which are exemption requests, these are grants for which the County has reasonable assurances that they will be received yet they do not have contracts for yet. Staff would recommend that 1-1 through 1-7 be approved by the board as a slate.”

Vice Chair Goodell: “There are two “1-7’s”.”

Executive Director Vetter: “That should be 1-1 through 1-8. So I would amend that to be 1-1 through 1-8.”

Director Johnson moved to approve, Director Kruly seconded and the Directors voted unanimously to approve the following resolution:

**Resolution No. 09-39**

**APPROVING THE ECFSA EXEMPTION OF CERTAIN GRANTS 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 Vetter, 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 exempts itself from certain grants listed on the attached document.

Department	Description	Amount
Buffalo and Erie County Library-NYS Library Construction Grant – Various Branches	Central, Dudley, Amherst Audubon, Anna Reinstein, Grand Island and City of Tonawanda – a series of contracts	\$1,267,612 – all library funds
Buffalo and Erie County Library-grant – Gates Foundation	Gates Opportunity Online	\$108,060-\$50,700 local share
Emergency Services-grant funds – Homeland Security	Interoperable Emergency Operations Grant	\$750,000-no local share
Environment & Planning-federal grants fund-Federal Department and Urban Development	Homelessness Prevention and Rapid Re-Housing Program	\$1,209,200-no local share
Health Department-Grant funds-NYSDOH	Healthy Heart Worksite	\$113,000-no local share
Health Department-Grant funds-NYSDCJS	Medical Examiner toxicology Lab Aid	\$119,512-no local share
Health Department-Grant funds - NYSDOH	Partners for Prevention	\$312,620-no local share
Health Department-Grant funds - NYSDOH	Enhanced drinking water	\$250,000-no local share

This resolution shall take effect immediately.

Executive Director Vetter:       “The additional items, 2-1 through 2-2, staff would recommend that they be considered as a slate.”

Vice Chairman Goodell moved to approve, Director Thomas seconded, and the Directors duly voted to approve the following resolution, with Secretary Keysa abstaining:

**Resolution No. 09-40**

**APPROVING THE ECFSA EXEMPTION OF CERTAIN GRANTS 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 Vetter, 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 exempts itself from certain grants listed on the attached document.

<b>Department</b>	<b>Description</b>	<b>Amount</b>
Social Services-grant	LTC Point of Entry Program-provide information about long term care	\$205,000-no local share
Social Services-grant	Energy Services packaging project-assisting low income households with energy assistance problems	\$67,609-no local share

This resolution shall be effective immediately.

Chairman Glaser: “We have received two items that came in late and have not had an opportunity to review.”

Executive Director Vetter: “Just a moment before the meeting, we received a contract between the County and the CVB, one for operations funding for the Bureau and the other for the Convention Center, that the County is asking for immediate consideration. I believe Ms. Sinnott is here to speak to those agreements. I do have copies here that I will distribute to the board. Given the late notice we have not reviewed these.”

Chairman Glaser: “Before I welcome you, just a question. Is it possible for us to approve subject to our analysis and getting back to myself, is that a possibility?”

*The question was asked of legal counsel, David McNamara who concurred in the affirmative.*

Chairman Glaser: “With that in mind, maybe you could just give us a quick overview of the contract you have presented us today.”

Comm. Holly Sinnott: “Sure and thank you for the opportunity for me to come in front of you and make a quick presentation this afternoon. As Mr. Vetter had mentioned earlier, these are two contracts that the County has with the Convention Bureau and the Convention Center Management Corporation. For the Convention and Visitors Bureau (CVB) the amount is \$2.6 million and that is essentially for tourism marketing and a host of other marketing and sales that the Bureau does.”

“The Convention Center Management contract is for the operations and management of the Convention Center. I know that the immediate consideration is not received well by your Board but we have essentially just been undergoing a number of strategic discussions with the CVB Board of Directors and have recently come to some conclusions and felt that it was necessary to move this forward as quickly as possible just so that we can maintain the good services of the CVB as well as to continue the services of the Convention Center Management Corporation. So I am here to answer any questions you may have. I should also point out that in terms of the actual terms of the contract itself this is really not different than what this body has previously approved. It is very standard language. There is nothing in this that should be of any concern to the board.”

Vice Chair Goodell: “Can you tell me why there is a rush for this?”

Commissioner Holly Sinnott: “Essentially we have been undergoing contract discussions for the first part of this year and we are in May. We have a number of important events coming up in the community. The Convention Center operations are dependent on these funds. Essentially we need to put the contracts in place so the dollars can flow.”

Vice Chair Goodell: “But hasn’t that condition existed since January 1<sup>st</sup>?”

Commissioner Holly Sinnott: “Essentially, every year we have discussions with the CVB. Those discussions have been ongoing and they have just recently concluded so

essentially we were not prepared to put a contract in front of this body until essentially our discussions were concluded.”

Chairman Glaser: “...and those just concluded 5 minutes ago?”

Commissioner Holly Sinnott: “No. Relatively recent, not five minutes ago.”

Chairman Glaser: “About how long ago?”

Commissioner Holly Sinnott: “I would say within the last 24 -48 hours.”

Vice Chair Goodell: “It seems to me that you are urging us to move quickly so that funds can flow smoothly but this condition has existed since the 1<sup>st</sup> of January. Why is it suddenly necessary for us to approve this when you have survived without serious consequences since the 1<sup>st</sup> of January?”

Commissioner Holly Sinnott: “Well, essentially both organization’s, especially the Convention Center’s, revenues are coming in from other business and the Convention Center Management Corporation has a small cushion of revenues going into this year but they are inextricably dependent on the County funds that flow to the CVB. So essentially coming to you today is the urgency that these dollars flow to keep the Convention Center operations moving, in particular the CVB.”

Chairman Glaser: “I guess what I would like to recommend, based upon my discussion with Mr. Vetter and with Mr. McNamara’s approval, if it is that important, that we can approve it subject to reading it and reviewing so that we can get this done prior to our next full board meeting, which is an exception to what we normally do. So recognizing that if this board does approve this it is subject to going back and having Mr. Vetter and out staff take a look at it if that is acceptable to the rest of the board.”

Vice Chair Goodell: “It is not acceptable to me.”

Secretary Keysa: “I would note that whatever the discussions were between the County Executive, Director Vetter and the CVB, I assume it is policy issues that they disagreed on. That is my experience in the past with other issues. Nevertheless, the CVB’s efforts are sales efforts; they are marketing efforts that are important to literally thousands of people in Erie County and the Convention Center itself. That operation also affects hundreds of jobs and they tend to be low or moderate income people that are dependent on those jobs. For those reasons I would be willing to support approving the contract today.”

Director Kruly: “Is there anyone here from the CVB to explain their side of the story?”

Commissioner Holly Sinnott: “I don’t know, I don’t believe so.”

Director Kruly: “Were they invited? Did you just show up here with the contract without giving them the opportunity to talk about it?”

Commissioner Holly Sinnott: “Essentially, this is a contract that flows through our administration.”

Director Kruly: “Considering the controversy surrounding this issue, it would have been appropriate for you, since you have reached an agreement, to bring them here with you.”

Director Johnson: “Mr. Chairman, I have a couple of questions for the presenter. Without a fully executed contract by this board today, what would that do to day-to-day operations; purchasing, hiring, etc. What would that do?”

Commissioner Holly Sinnott: “The Convention Center Management Corporation, essentially given the current revenues that are coming in from other events, certainly could maintain their operations through July 1, 2009. Buffalo Niagara Convention and Visitors Bureau are into their line of credit and essentially would need to be funded in order for them to move forward. I believe they would be out of funds anywhere between May 15<sup>th</sup> and May 30<sup>th</sup>.”

Director Thomas: “What exactly does that mean? What are the negative effects on this if we were to say no until the next meeting? What steps would you have to take?”

Commissioner Holly Sinnott: “The Convention Center operations could continue. The BNCVB would be hampered and I think their next step would be to get an extension on their line of credit until such time that this body could approve this contract.”

Chairman Glaser: I think the gist of this is that, number one, you can't expect this board to approve them without going through them or having staff go through them. Number two, the feeling, if I could sum it up with most of the people on the board is: how would you ever expect them to do it? and three, we are not trying to hold back economic development or commerce in Erie County but you have put us in a very difficult position coming in at the last minute with a contract.”

Deputy CE Hammonds: “Good Afternoon, on behalf of County Executive Collins and the Administration, I want to personally apologize for bringing this before you at the last minute. If there is any process that I do have a strong understanding of, it is the control board and what you guys do and what you have to have. Having said that, what we are trying to do with the Convention and Visitors Bureau and the Convention Center operations is that we are strategically and in a policy standpoint, changing the way we do business.”

“What we could have done, what we considered doing, but made a decision not to, is on Friday submit a contract to be approved pending negotiations that just happened in the past 24 hours of negotiations. We chose not to do that because that is not very honest, number one, and number two, they are up against it, so we are doing some strategic things with them which I can not disclose in this public setting right now in detail but from a policy and strategic standpoint. We are looking to do new things from a marketing standpoint but from the contractual standpoint, the content and everything in the contract is the same. We did not want to submit just for formality purposes, a contract that you might approve not having gone through those discussions. So I apologize for that and I would greatly appreciate it if you could approve it here.”

Vice Chair Goodell: “Have you read this contract?”

Deputy CE Hammonds: “I have skimmed through it but am very familiar with the first contract.”

Vice Chair Goodell: “..but you haven’t read **this** contract?”

Deputy CE Hammonds: “I have read the standard boiler plate contract. Yes I have.”

Vice Chair Goodell: “...But you have not read **this** contract?”

Deputy CE Hammonds: “Not that specific one in your hand.”

Vice Chair Goodell: “So you are asking us to approve something that you have not read.”

Deputy CE Hammonds: “The timing is such that this board is not going to meet again until June, correct? So that is part of what we are trying to work through.”

Commissioner Holly Sinnott: “I’m sorry, but to Mr. Goodell’s question, the County Executive, Director Vetter, has read the contract. I Commissioner Holly Sinnott, have read the contract, Mr. Hammonds had a cursory review of the contract, so I just want to correct that in our Administration we read the contracts and we take them very seriously.”

Director Thomas: “How do we do this and serve everyone’s best purpose.”

Chairman Glaser: “That’s right. What I would propose, as a motion, is that we approve this because there is some concern on the time, subject to the staff review and at least maybe two board members taking a look at it.”

Director Kruly: “I can’t support it. There is too much controversy and I don’t know enough about it. Getting three minutes before the meeting is not acceptable.”

Vice Chair Goodell: “I can’t support this either.”

Director Thomas: “Can we take the time to have someone look at it within the next several days?”

Vice Chair Goodell: “Then we have to have another board meeting with 72 hour meeting notice.”

Chairman Glaser: “That is the problem. Mr. McNamara do you have any other suggestions for this group?”

David McNamara: I think you have identified the options. One would be to approve subject to the Executive Director Vetter’s verification that the terms are as represented. The other alternative would be to convene another meeting. The one point of correction I would make is that under these circumstances 72 hours notice would not be statutorily mandated. You could do it on a shorter time frame but that would require that the board reconvene for the purpose of addressing this request for contract approval.”

Director Thomas: “Could we put a date on the approval?”

David McNamara: “Post-date the approval?”

Director Thomas: "Yes."

David McNamara: "That would have in essence the same effect as approving this today, subject to Mr. Vetter's review and verification that the terms are as represented."

Chairman Glaser: "Mr. Hammonds, may I ask you a couple of more questions relative to the flow of funds? Is it this contract approval that is so critical or is it the flow of funds for the next 30 days?"

Al Hammonds: "It's actually both. The flow of funds is the most critical piece but we need both."

Chairman Glaser: "So nothing can be advanced to solve the problem for 30 days?"

Deputy CE Hammonds: "No we can't."

Secretary Keysa: "Mr. Chairman, I believe the CVB already has a line of credit that they are drawing against for their operations, so in essence, they are already drawing against the commercial line of credit in anticipation of these contracts."

Chairman Glaser: "I am going to amend my resolution but I am going to make a resolution and we will see where this goes. Can I do that before we vote the other one down?"

Secretary Keysa: "Sure, there is nothing on the table."

Chairman Glaser: "I would put on the table that we approve this contract subject to the staff doing their analysis and once that analysis is done the additional approval of the Chairman and the Vice Chairman. Could I have a second to put this on the table?"

Director Thomas: "I will second that."

Vice Chair Goodell: "I am not comfortable with that."

Secretary Keysa: "Okay, so you have moved and this is now on the table. My understanding is that the motion is to approve the authorization of this contract between the County, the CVB and Convention Center Management, subject to the review by staff of and the report of that review to the Chair and the Vice Chair, and that the Chair and Vice Chair must unanimously agree that the contract is consistent with the contract of prior years. Is that a fair restatement?"

Chairman Glaser: "Yes."

Director Thomas: "That both agree that it is an acceptable contract."

Chairman Glaser: "That's correct. I am just trying to establish some accountability."

"I have another question. Why with this contract, unless I am missing something because it is to approve funds for the next 30 days, is there no way the County can advance funds to support a contract that theoretically both sides have agreed to?"

Deputy CE Hammonds: “I would say no and that is the very reason is that we really want to abide by the authority of this board before we advance without the authority of the board, we don’t want to set precedents that way. The other thing that I would say is that we have a very tight logistical and sequential set of steps that we go through. That is why we are here in the 11<sup>th</sup> hour. This is not a common practice, we don’t do this all the time and we wanted to at least bring this before you like this. With the logistics that need to happen we need this approved today?”

Secretary Keysa: “Mr. Chairman, I have a question. Has this been approved or gone to the Legislature yet?”

Commissioner Holly Sinnott: “Yes.”

Vice Chair Goodell: “Did they approve it this morning?”

Commissioner Holly Sinnott: “There was a previous approval by the Legislature that is relative to how the dollars move into the budget. So it has already been approved.”

Vice Chair Goodell: “How was it approved if it wasn’t in its final form until 24 hours ago?”

Commissioner Holly Sinnott: “The contract dollars, similar to how we work that Erie County Cultural Resource Advisory Board (ECCRAB) dollars, Mr. Keysa would know this as well, but if they are in the budget, then the County Executive and the Administration works to forward to Executive Director Vetter the contract.”

Executive Director Vetter: “I’m sorry, can I ask, not with regard to this contract but the CVB’s cash issues, the County forwards bed tax and potentially other revenues to the CVB. Are there monies that the County has in its account at this point that could, because I know that those occur on a scheduled basis, not on an as needed basis, can those monies be sent to the CVB to either reduce or eliminate their cash issue at this point?”

Deputy CE Hammonds: “I don’t know the specifics of the budget with transfers and how we could flow the funds and we don’t have anyone here from budget today but I would say that if the resolution is passed pending the approval of the Chair and Vice Chair, we could work through these issues very quickly; within the next couple of days. That’s what it sounds like from the resolution the way it was worded.”

Chairman Glaser: “Is there anything contentious about the contract from the two sides?”

Deputy CE Hammonds: “No.”

Chairman Glaser: “They have all agreed to it?”

Deputy CE Hammonds: “Yes.”

Director Kruly: “I doubt that the Comptroller is going to pay anything without everything being worked out. So no matter what you do, if you put contingencies on it and knowing the Comptroller, nothing is going to flow anyway. We are in the 125<sup>th</sup>

day of the year so obviously it was not important enough for them to resolve this so what is the difference between a couple of more days or a few more weeks?"

Secretary Keysa: "Either that or the issues that the County Executive raised were important enough to the County Executive from a policy standpoint to hold up this contract."

Director Kruly: "If the CVB were here to explain those to us then I would feel better about it but they are not here."

Chairman Glaser: "Any further light that you two can share?"

Commissioner Holly Sinnott: "The only other suggestion that I might have is, working with Mr. Vetter, knowing that there is nothing really controversial in these contract, I would be happy to bring a member of the CVB staff or the board to come and sit with me and Mr. Vetter to make sure that we are all on the same page relative to the contracts. I feel very confident that we could do that in the next 24-48 hours."

Secretary Keysa: "I'm assuming that the item that held this up was the report about the County Executive wanting to have additional members on the board that he would appoint."

Commissioner Holly Sinnott: "We have good representation on the board right now, Mr. Keysa. The discussions were over a myriad of strategic and policy initiatives. I can't really speak to the number of board members as much as it was on, to use your own words, policy and some other strategic items."

Chairman Glaser: "Are there any further comments? I think I would like to amend my resolution to say and I am still going to make this resolution that I would like a third person to take a look at this. Would anybody like to serve that role?"

Vice Chair Goodell: "How about Mr. Kruly?"

Director Kruly: "I am going to vote against this Mr. Chairman. I'm not comfortable with the way it has been presented to us."

Chairman Glaser: "Mr. Thomas would you like to be the third person?"

Director Thomas: "Yes I will."

"I have a question as to the time frame for this?"

Chairman Glaser: "We have no time frame, this is subject to us getting back to them, and it could be 30 days. I have a problem because I will be out of town from tomorrow to Thursday."

Secretary Keysa: "I don't think this requires that you actually have to meet. It could be a telephone discussion."

Director Thomas: "Okay then I am in."

Chairman Glaser: “My point is that even if this is passed, if we don’t like what we see, it could be 30 days before we get the full board again and then get everybody back that needs to get back.”

Commissioner Holly Sinnott: “Understood.”

Chairman Glaser: “Please recognize that this is an exception accommodation.”

Secretary Keysa: “I would suggest a roll call vote on this.”

Chairman Glaser had previously made a motion to approve, Director Louis Thomas seconded and Secretary Stanley Keysa voted in favor. Vice Chairman Joseph Goodell, Director Kenneth Kruly and Director John Johnson opposed. The resolution failed.

Director Kruly moved to adjourn, Vice Chair Goodell seconded and the Directors voted unanimously to adjourn.

Respectfully submitted,

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Stanley J. Keysa, Secretary

May 15, 2009