

**Laws & Rules, Governmental Services Committee
Special Meeting Minutes**

DATE & TIME: July 14, 2021 – 5:00 PM
LOCATION: Legislative Chambers, 6th Floor, County Office Building, Kingston
PRESIDING OFFICER: Chairwoman Bartels
LEGISLATIVE STAFF: Jay Mahler, Deputy Clerk
PRESENT: Legislators Gavaris, Heppner & Ronk
ABSENT: Legislator Roberts
QUORUM PRESENT: Yes

OTHER ATTENDEES: Legislator Petit, Legislative Counsel Ragucci, Commissioners Dittus & Quigley – Board of Elections, Commissioner Jackson & Deputy Commissioner Quesnell – UC DPW, Deputy County Executive Milgrim

Chairwoman Bartels called the meeting to order at 5:04 PM.

Resolution for the July 20, 2021 Session of the Legislature

Resolution No. 283: Authorizing The Chair Of The Ulster County Legislature To Enter Into A Lease Agreement With Higginsville Station, LLC For Board Of Elections Office & Storage Space - Department Of Public Works – Buildings And Grounds

Resolution Summary: This resolution authorizes the Chair to enter into a lease agreement with Higginsville Station, LLC for Board of Elections office and storage space from January 1, 2022 – December 31, 2026 for a total estimated cost of \$726,397.45.

Moved Resolution No. 283 FOR DISCUSSION

Motion By: Legislator Ronk
Motion Seconded By: Legislator Heppner

Discussion:

Chairwoman Bartels opened the discussion and advised the members that they had been provided with a copy of the Comptroller's Space Utilization report (appended to these minutes.)

Legislator Ronk asked whether the estimated costs at Enterprise West for asbestos remediation. Commissioner Jackson responded that the county is not doing the work so he did not have that information. He added that they looked at renovating the space to make it suitable for storing the voting systems and advised the members that the estimate was \$200k - \$250k for 7,500 of space just for the voting systems and ancillary equipment. He added that those would be out of pocket costs that did not include asbestos abatement, and stated that he did not know where the funding would come from.

Chairwoman Bartels asked for clarification on whether asbestos abatement was required throughout the building. Commissioner Jackson responded that the proposal is for the first floor of building 201. The members briefly discussed the types of asbestos in the buildings and the remediation plans. Legislator Ronk requested the abatement costs from the RFP for renovations for the Farm Bridge space. He added that the felt the renovation costs at Enterprise West seemed reasonable and was a viable option for the current BOE issue.

Commissioner Jackson stated that they did not recommend that option because of timelines to get the voting systems out of the Old Jail site, and advantages to consolidating BOE operations. Legislator Ronk commented that sounded more like aligning with the desires of the BOE rather than costs for taxpayers.

Chairwoman asked staff to reach out for a copy of the RFB for asbestos abatement. Legislator Gavaris asked for clarification on whether the entire floor needed to be abated. He added that a much smaller abatement project at the Ellenville Regional Hospital cost significantly more per sq. ft. Legislator Ronk stated that the numbers mentioned by Deputy Executive Rider were estimates and they should wait to see the actual figure on the bid documents.

Legislator Heppner asked when the machines needed to be out of the current facility. Commissioner Quigley responded that, in consideration of next year's Primary Elections, the ideal time would be a December – February window. Legislator Heppner asked when the demolition for the housing project was planned for. Deputy Executive Milgrim stated that the actual ideal time to move the voting systems was this November. He added that they would like to move the machines as usual for use on Election Day and then return them to the new location. He added that would save about \$1,000 by not having to move them again.

Commissioner Quigley said they were expecting demolition somewhere between January – July and the next timeline they could move the systems would be July – August. Deputy Executive Milgrim stated that they were hoping for a second quarter initiation for demolition. Legislator Heppner commented that they were considering using ARP funds to expedite demolition. Commissioner Dittus advised the members that voting systems were used for May School Elections which requires programing and testing in the end of April. Commissioner Jackson stated that his understanding on the timeline on the conveyance was the first of the year so demolition would take place after that.

Legislator Ronk stated that the property could be leased back to the county. He added that the county doesn't currently own the property as it has been transferred to the Golden Hill LDC. The members discussed the conveyance timeline and state funding streams for the housing project.

Legislator Gavaris asked for clarification on the additional cost of the lease over what the county currently pays; \$63k - \$64k/year. Deputy Commissioner Quesnell responded it's \$62k excluding the increased cost of utilities. The members discussed the estimated costs of electricity at the Wall St location at ~\$2/sq. ft. to be around \$6,000.

Legislator Ronk asked Commissioner Jackson to explain why the DPW did not recommend Enterprise West as a viable option. Commissioner Jackson responded that their assessment included cost/sq. ft. which was found to be favorable in terms of markets rates. The members discussed market rates and costs included in the lease, including triple net leases. Legislator Heppner asked for clarification on the finality of the lease itself, and whether it included a termination clause and if there was any truth to a minimum three-year commitment. Counselor Ragucci responded that per his discussions with the County Attorney, there is a 60 day written notice provision and no three-year minimum requirement.

The members briefly discussed the salary of the machine technicians and if additional personal could be hired with the saving from locating operations in county-owned property. Commissioner Quigley joked the conversation about hiring additional personal would be forthcoming.

Legislator Ronk commented that based on available information it appeared that it would cost \$200k-\$325k to renovate property owned by a space owned by a county subsidiary which will need to be renovated to sell the property anyway. He questioned how that was not factored in to a cost benefit analysis. He recognized that the proposal presented an ideal situation for the BOE, but stated it was not necessary. Chairwoman Bartels stated that she feels the legislature is between a rock and a hard place but recognized the inadequacy of the current facility. She added that she would like to see the BOE moved to county space and questioned whether and why the County Executive's office has not been looking into purchasing or building property in the City of Kingston. She advised the members that she

has brought up the Van Dale property on the millions of dollars that has been spent to rent what is essentially hanger space. She added that she is concerned about delaying the BOE move.

Legislator Heppner stated that he agreed with the difficulty of the decision and the need to further assess the county's space issues. He added that the current BOE space is inadequate and a needs to be addressed immediately for the sake of properly administering elections and providing the best service to Ulster County voters. He added that he feels it is not the perfect fix, but is the best fix at the moment. He stated for the records that he was originally frustrated that the matter was postponed, but is appreciate of the conversations that have developed because of that action. Legislator Ronk commented that he did not think the best option is to move forward with the lease. He added that he would classify the BOE space as not ideal rather than inadequate. He reiterated that the 9-1-1 center is unequivocally inadequate and expressed his frustration that the members were spending this much time on the BOE and no time addressing a far more pressing issue. He stated that there are other options even if the DPW is not being permitted to relay them. He added that he did not the BOE would be out of the Freeman Building in five years.

Chairwoman Bartels asked Legislator Ron kif he was referring to Enterprise West as the other options. He responded that he was, that Enterprise West was a stepping stone, and added that the County Executive's Office has failed to study and address this issue. He added that South Manor is a possible option and should be more aggressively evaluated. Chairwoman Bartels agreed that a discussion needs to had about moving forward with a holistic space study to evaluate the needs of other departments, including 9-1-1. Legislator Heppner asked Legislator Ron kif the lease is not signed, what he thinks is a reasonable timeline for the BOE to remain in the current location. Legislator Ronk responded that the BOE needs to be out of the Old Jail sooner rather than later, and believes Enterprise West is a viable option. He expressed his frustration with the current relationship and make up of the EDA. He added that he believed the BOE could continue operating at the Wall Street until county-owned space is secured, specially if branch offices were pursued. He stated that if the legislature elects not to sign the lease the County Executive would be forced to address the matter. He reminded the members that the discussion was only being had because the Commissioners of Elections took it upon themselves to find the new space and initiate conversations about the time sensitive situation with their voting systems and machine technicians.

Chairwoman noted for the record the arrival of Legislator Petit and asked if she had any questions or comments. Legislator Petit stated that she would reserve comment for the time being.

Legislator Gavaris stated that he was looking at the Comptroller's Space Assessment and believes that purchasing property and moving a number of county departments that currently lease space into it. He added that the cost savings from the various leases would pay off the price of the building quickly. Chairwoman Bartels stated that the Comptroller was going to look into whether the NYS Dept. of Labor paid for a portion of the Office of Employment & Training lease. The members discussed space leased at the Gold Hill Building and the services they provide.

Legislator Ronk agreed that a space utilization study is important for them to handle. He added that he thinks it's important for the legislature to tackle it to ensure all available information is provided to the legislature. He added that he expected push back from the Executive's Office. Chairwoman Bartels agreed that an actual space study would delve into needs and future needs. She added that it would be interesting to look at the recommendations of the 2007-2008 C&S study and see what was actually followed. Legislator Ronk stated that the number one recommendation in that study was to move out of the building at South Manor because it was going to cave in.

Chairwoman Bartels asked if there were any other questions and what the members would like to do with the Resolution. She asked if the members would like to wait until the next meeting to vote on the measure. The members agreed they would like the opportunity to update their caucuses on the committee's discussion and hold off taking action on the Resolution until next week's regular meeting.

Disposition: NO ACTION TAKEN

Chairwoman Bartels thanked Commissioner Jackson and his staff for their time and thanked the members for the extra time they have spent discussing the matter.

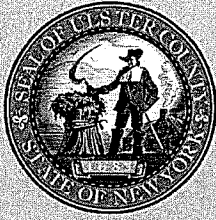
Adjournment

Motion Made By: Legislator Ronk
Motion Seconded By: Legislator Gavaris

No. of Votes in Favor: 4
No. of Votes Against: 0

TIME: 5:50 PM

Respectfully submitted: Deputy Clerk Mahler
Minutes Approved: August 16, 2021



ULSTER COUNTY SPACE UTILIZATION

The Government Finance Officers' Association recommends that government entities provide a "plain language" capital asset report to elected officials and the general public at least once every three years. This report only covers major government facilities and some infrastructure. It does not include equipment and majority of county-owned infrastructure, nor does it include condition ratings, changes in the value of assets or other information recommended for a comprehensive Report on Capital Assets.

Recommendations

Ulster County should engage in a space utilization study every five years or so and share a plain English capital asset report every three years. The last such study was finished in 2007 before the sale of Golden Hill Healthcare and prior to the acquisition of portions of Tech City. Space inventories should be maintained on a real-time basis and should be made available when major space changes are anticipated whether in new leased space or county owned facilities.

Leases presented to the Legislature for contract approval should be presented in as final a form as possible. All lease terms including square footage, term of the lease, and potential expenses such as taxes and fit up costs should be known at the time of the approval.

Leases presented to the Legislature for contract approval should be presented with more information including descriptions of other properties considered (both privately-owned and county owned. Presentation of new leases of privately owned space should include a short summary of the needs of the department or office for which the space is needed (such as statutory location, parking, ADA compliance). Ownership and LLC membership of private lessors should be disclosed.

The capital asset policy should be updated. The current policy was adopted in 2001 and the outside auditors identified the need for revision in the management letters of 2015, 2017 and 2019. The policy was updated to include construction work in progress in May 2020, but no other changes have been made to the policy since initial adoption. Updating the policy to include capital maintenance inventorying would enable the county to prioritize capital projects.

Accounting for Leases

Ulster County is required to implement GASB Statement No. 87, *Leases*, effective for the fiscal year ending December 31, 2021. GASB summarizes the purpose of the change as follows:

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

For lessees the lease liability should be measured at the present value of payments expected to be made during the lease term (less any lease incentives). A lessee should reduce the lease liability as payments are made and recognize an outflow of resources for interest on the liability and should amortize the lease asset in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. The notes to financial statements should include a description of leasing arrangements, the amount of lease assets recognized, and a schedule of future lease payments to be made.

There appears to be a minor misstatement in the text of the Annual Update Document which has a note to the financial statement on leases that references space needed for expansion of social services, mental health and family court. This language is likely a carryover from prior years and should be updated to address current lease liabilities.

Buildings and Land Used by Ulster County Operations

The County uses four distinct types of space. Some space is county owned either through the Ulster Economic Development Alliance or directly. For this report we have separated out highway substations. The County also owns space that it leases to others. Finally, Ulster County leases space from the private sector for certain operations.

UCEDA Owned Properties				
	Address	Sq Fd.	Acreage	Acquired
Information Services	25 S. Manor Ave	13,644	0.4754 Acres	12/9/2015
Vacant Land	Linderman Ave Ext	N/A	7.51 Acres	6/10/2015
Enterprise West (3 bldgs)	Enterprise Dr.	394,631	24.7 Acres	Pending



ULSTER COUNTY OWNED PROPERTIES

*All located in Kingston unless otherwise noted

Ulster County Office Building

244 Fair Street; 62,396 sq. ft

- Basement & First Floor - DMV/Mail room
- Second Floor - County Clerk
- Third Floor - Tourism, Planning Board, Surrogate Court
- Fourth Floor - Department of Finance, Real Property Tax Service
- Fifth Floor - County Attorney, Comptroller, Personnel
- Sixth Floor - Legislative chambers, Budget, County Executive



Trudy Resnick Farber Center

50 Center Street, Ellenville; 20,730 sq.ft.

- Office for the Aging
- Social Services
- Probation
- Public Health
- Department of Social Services
- Hudson Valley Mental Health (lease)
- Family Services, Inc. (lease)
- Access-Supports (lease)
- Astor Services (lease)

Public Works Building

313 - 317 Shamrock Lane; 8,925 sq. ft.

- B&G/H&B
- Weights & Measures
- Historian

U.C. Probation Department

733 Broadway; 17,594 sq. ft.

- Office of Probation
- Restorative Justice Center

Ulster County Courthouse

285 Wall Street; 43,650 sq. ft.

- District Attorney's Office
- Judicial
- Maintenance

U.C. Human Services Complex

Development Court; 117,977 sq. ft.

- Family Court
- Veterans Service Agency
- D.S.S
- Self Insurance
- Safety
- Largest vacant space - 4,000 sq. ft.

U.C.A.T.

1 Danny Circle, 23,413 sq. ft.

- Administration / Offices
- Garage area

Department of the Environment

17 Pearl Street; 4,229 sq. ft.



U.C. Law Enforcement Center
380 Boulevard; 277,000 sq. ft.

- Sheriff's Office
- Arson Task Force

Golden Hill Office Building
239 Golden Hill Drive; 39,600 sq. ft.

- Mental Health
- Hudson Valley Mental Health
- WIC
- Astor Services (lease)
- Access Support for Living (lease)

Old County Jail
61 Golden Hill Drive; 53,389 sq.ft.

- Cell block area
- B.O.E voting machines storage
- NYS Parole Office (lease)

Persen House
 74 John Street; 6,405 sq. ft.

Carr Building
 1 Pearl Street; 3,560 sq. ft.

Golden Hill Pump House
 44 Golden Hill Drive

Golden Hill Water Tower
 733 Broadway; 465,300 gallons

Community Correction Facility
 63 Golden Hill Drive; 7,200 sq. ft.

U.C. Records Center
 300 Foxhall Avenue; 22,550 sq. ft.

Ulster County Pool & Maintenance
 241 Libertyville Rd., New Paltz - 7,126 sq.ft.

SUNY Ulster at Kingston (Sophie Finn)
 94 Mary's Avenue; 30,830 sq. ft.

Veterans Transitional Housing Facility
 67 Wurts Street

Emergency Management E-911
 238 Golden Hill Drive; 2,130 sq.ft.

Hutton Building
 234 Golden Hill Lane - Closed; 3,386 sq. ft.

Sojourner Truth - Ulster Landing Park
 916 Ulster Landing Road - 3,198 sq. ft.

Ulster County Fairgrounds
 249 Libertyville Road, New Paltz

County Property Leased to Others		
Building	Lessee	Sq Ft.
Old Jail	NYS Parole Office	1,852
Golden Hill Office Building	Astor Services	2,080
	Family Services	4,561
	Access - Supports for Living	207
Trudy Resnick Farber Center	Astor Services	1,230
	Family Services	3,093
	Access - Supports for Living	126
Catskill Mountain Railroad	UCIDA to CMRR	N/A
	TOTAL	13,149

Highway Substations		
Sub-station	Location	Sq Ft.
Quarry Complex	317 Shamrock Lane, Kingston	N/A
Accord	456 Granite Road, Rochester	2,324
Boiceville	8 Cabin Hill Road, Olive	13,690
New Paltz	246 Libertyville Road, New Paltz	13,697
Plattekill	227 Foster Road, Plattekill	2,265
Quarryville	344 Harry Wells Road, Saugerties	5,223
Shandaken	7336 State Rt. 28, Shandaken	5,364
Shawangunk	40 King's Lane, Shawangun	4,433
Denning / Sundown	30 Greenville Road, Denning	4,984
Ulster Heights	229 Ulster Heights Road, Wawarsing	3,545
VanDale (LEASE)	316 Van Dale Road, West Hurley	15,146

Space Leased by Ulster County From Others								
Department	Contract	Location	Current Cost	Sq Ft.	Term Start	Term End	Vendor	Use
Employment and Training	2017-00000474	535 Boices Ln, Kingston	\$15010.39/mo	10287	9-Oct-17	8-Oct-20	935 Associates, LLC	Office space- shared with DOL
Board of Elections	2020-00000387	284 Wall St, Kingston	\$5,200.38/mo	3,566	14-Aug-20	13-Aug-25	CPR Kingston, LLC	Office space, intake, training, storage
Public Defender	2020-00000410	280-284 Wall St, Kingston	\$9,016.87/mo	6,183	1-Oct-20	30-Sep-25	CPR Kingston, LLC	Office space - PD
Social Services	2020-00000296	51 Hurley Ave., Kingston	\$4,853.33/mo	3,328	1-Apr-20	31-Mar-25	O & W Station	Office space - Family & Child Advocacy
Sheriff's Office	2017-00000449	146-152 Mt Pleasant Rd, Mt. Tremper	\$650/mo	2,004	1-Jul-17	30-Jun-22	Kaatskill Development Holdings LLC	Substation
Sheriff's Office	2017-00000119	1500 Route 208, Wallkill	\$750/mo	711	1-Jan-17	31-Dec-21	Wallkill Central School District	Substation
Sheriff's Office	2020-00000261	108 Canal St, Ellenville	\$312/yr	1,534	1-May-20	30-Apr-25	Town of Wawarsing	Substation
Probation	2018-00000404	124 Main St., New Paltz	\$1855/mo	1,308	1-Nov-18	31-Oct-23	Pine Professional Center, LLC	Probation
Department of Public Works	2018-00000384	316 Van Dale Rd, West Hurley	\$8,400/mo	15,146	1-Jul-18	30-Jun-23	Van Dale Properties LLC	Fabrication Facility lease
Ulster County Area Transit	2019-00000556	464 Hasbrouck Ave, Kingston	\$1,000/mo	2,500	1-Jul-19	30-Jun-24	City of Kingston	Transit Garage Rental