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NASSAU COUNTY LEGISLATURE
PRESIDING OFFICER
RULES COMMITTEE
LEGISLATOR RICHARD NICOLELLO
CHAIR
Theodore Roosevelt Building
1550 Franklin Avenue
Mineola, New York
Monday, December 13, 2021
2:45 P.M.
A P P E A R A N C E S:
LEGISLATOR RICHARD NICOLELLO Chair
LEGISLATOR HOWARD KOPEL
Vice Chair
LEGISLATOR STEVEN RHOADS
LEGISLATOR LAURA SCHAEFER
LEGISLATOR KEVAN ABRAHAMS
Ranking member
LEGISLATOR DELIA DERIGGI-WHITTON
LEGISLATOR ARNOLD DRUCKER

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            LEGISLATOR NICOLELLO: Mike, I'm
    going to call the Rules Committee to order.
        MR. PULITZER: Thank you
    Presiding Officer. Rules Committee roll
    call. Substituting for Siela Bynoe would be
    Arnold Drucker.
    LEGISLATOR DRUCKER: Here.
    MR. PULITZER: Legislator Delia
    DeRiggi-Whitton.
    LEGISLATOR DERIGGI-WHITTON:
    Here.
        MR. PULITZER: Ranking Member
    Kevan Abrahams.
    LEGISLATOR ABRAHAMS: Here.
        MR. PULITZER: Legislator Laura
    Schaefer.
    LEGISLATOR SCHAEFER: Here.
        MR. PULITZER: Legislator Steven
    Rhoads.
    LEGISLATOR RHOADS: Present.
    MR. PULITZER: Vice Chairman
    Howard Kopel.
    LEGISLATOR KOPEL: Here.
    MR. PULITZER: Chairman Richard
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Nicolello.
LEGISLATOR NICOLELLO: Here.
MR. PULITZER: We have a quorum sir.

LEGISLATOR NICOLELLO: We have a couple of items on the main calendar and an addendum. Since we have an addendum, we need a motion to suspend the rules. Moved by Legislator DeRiggi-Whitton. Seconded by Legislator Schaefer. All in favor of suspending the rules signify by saying aye. Those opposed? Carries unanimously. We have three items. They are contracts. I will call them all together and then we will vote on them all together unless they need to be separated. B-29 is a resolution authorizing the county executive to execute a contract amendment between the county and Posillico Civil, Inc.

E-188 is a resolution authorizing
the county executive to execute a personal services agreement between the county and Vincentlette Law Firm.

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And A-66 of 2021 , a resolution authorizing the director of Nassau County Office of Purchasing to award and execute a contract between the county and Thimgan and Associates.

Those items are moved by Minority Leader Abrahams. Seconded by Deputy Presiding Officer Kopel.

First contract is a public works contract and it's B-29.

MS. HODAK: Jane Hodak, Nassau County Department of Public Works. This is an amendment to an emergency contract with Posillico. Posillico did emergency work for the county immediately after Hurricane Sandy. The contract is being amended so that they may be fully compensated for the costs of performing those services. And what the amendment does is it allows for the payment of sales tax that they incurred on consumable items.

Normally when a contractor, normally when we do contract work a contractor submits a bid. With that bid they estimate

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the unit of consumable items that they will need. Garbage bags, rags absorbent pads, disinfectant and things like that and that's included in the bid. Because this was an emergency contract in which it was done totally on $T$ and $M$, time and materials, the bid was not prepared.

So now we are amending the contract to include the sales tax because that -normally that's not something that would come before the comptroller in a voucher for payment because it's included in the bid and sales tax on material that's incorporated into the construction is excluded and we use forms that we pass on to vendors to do that.

This is basically -- the purpose of the contract was to, of course, pay them in full for all of the services and work that they provided. This will allow for a clarification to make it clear that they should be paid for the sales tax on those consumable items of which, given the nature of the work they were doing, was considerable.

LEGISLATOR NICOLELLO: Any

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questions? Legislator Rhoads.
LEGISLATOR RHOADS: Super Storm
Sandy was in 2012. So we're talking about nine years ago?

MS. HODAK: Right.
LEGISLATOR RHOADS: Why now?
MS. HODAK: Because we were
trying to work it out with the comptroller and with the vendor for a period of time. Then, quite honestly, I think it may have been missed by some individuals to be addressed. But we would like to, of course, compensate the vendor for the outlay of money for the purpose of performing the contract work.

LEGISLATOR RHOADS: What's the dollar amount that we're talking about? Since we must know what the finite amount is. MS. HODAK: It's about $\$ 30,000$. LEGISLATOR RHOADS: Thank you. LEGISLATOR NICOLELLO: Legislator Schaefer.

LEGISLATOR SCHAEFER: Hi. Quick question. Do you know exactly where the work was done? Was it throughout Nassau County?

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Certain sites?
MS. HODAK: No, no. It was at the Bay Park plant. It was at the flooded facility.

LEGISLATOR SCHAEFER: Just
there?
MS. HODAK: Yes.
LEGISLATOR NICOLELLO: Any other questions? Thank you Jane. Before you leave Jane.

LEGISLATOR RHOADS: Sorry about
that. If the county had purchased the materials itself isn't the county exempt from sales tax?

MS. HODAK: The county is exempt
for materials that -- you mean like the rags and the things like that? Like if we purchased rags and things?

LEGISLATOR RHOADS: Right.
MS. HODAK: I don't really know
but the vendor itself is not excluded from sales tax when it utilizes those types of materials in the performance of its work. So, that's an amount of money that they expend and

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normally include in their bid price here. We're just trying to correct this contract so it follows the normal course of compensation to the vendors.

LEGISLATOR RHOADS: Okay. Thank you.

LEGISLATOR NICOLELLO: Anyone else?

LEGISLATOR DERIGGI-WHITTON:
Can
I ask a question?
LEGISLATOR NICOLELLO: Yes.
LEGISLATOR DERIGGI-WHITTON: Is
there any outstanding contracts from this time?

MS. HODAK: There's still a lot of remedial work ongoing at the Bay Park facility. So, in general, this was emergency work done immediately after the impacts of the storm to remedy the plant. But there's still a lot of remedial work ongoing at the facility right now.

LEGISLATOR DERIGGI-WHITTON: But is there -- this was nine years ago. Do we know if there's any contracts in this state
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that we're still like pending from years ago?
MS. HODAK: I'm having a little
trouble hearing you.
LEGISLATOR DERIGGI-WHITTON: Are
we aware of any other contracts that are in
this situation that are still pending?
MS. HODAK: No.
LEGISLATOR NICOLELLO: Delia, do
you have any other questions?
LEGISLATOR DERIGGI-WHITTON: No.
Thank you.
LEGISLATOR NICOLELLO: Any other
questions? Thanks again Jane.
Next contract is with the county
attorney's office. Item 1882021 with the
Vincelette law firm.
MS. LOCURTO: Good afternoon.
Lisa LoCurto from the county attorney's
office. This is a special counsel contract to
retain counsel to assist the county attorney's
office in trying a tax certiorari matter. If
there are any questions.
LEGISLATOR NICOLELLO: Any
questions?

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LEGISLATOR KOPEL: Why do you need special counsel for this?

MS. LOCURTO: This is a high value property that has a subject sale. It's a complicated trial and we wanted to use the assistance of special counsel whose tried similar cases in upstate New York with this large mass of land that's vacant and is very difficult to value.

LEGISLATOR KOPEL: The county attorney's office does not have people with the requisite experience and knowledge?

MS. LOCURTO: There was a
decision to have counsel with extensive experience who had tried a similar case like this.

LEGISLATOR KOPEL: Lisa, but that didn't really answer the question. I asked the county attorney doesn't have anyone in-house who can --

MS. LOCURTO: We wanted special counsel with a specialized knowledge of tax certiorari proceedings and who would be best able to represent the county at trial.

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LEGISLATOR NICOLELLO: I think
his question was what was it about this case that required someone to go outside the office? What specifically about this?

MS. LOCURTO: This is a very high profile property. It's unusual to have 97 acres that are undeveloped. It does have a massive estate on it. However, there is very little vacant land in Nassau County. So, the question is, do you value it in its use and condition? That's going to be the key, main issue that's going to be at trial and it is going to impose a very difficult legal question for valuation before a supreme court judge.

LEGISLATOR NICOLELLO: Any other questions? Legislator Drucker.

LEGISLATOR DRUCKER: Thank you Presiding Officer.

LEGISLATOR NICOLELLO: Actually, I'll let you ask but you're not on the committee.

LEGISLATOR DRUCKER: I'm subbing.

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LEGISLATOR NICOLELLO: You are?
Okay.
LEGISLATOR DRUCKER: Are there cases involving undeveloped vacant land with a structure on it that the county attorney does in fact try before the supreme court? Like where do you draw the line?

MS. LOCURTO: This is a very
unique property.
LEGISLATOR DRUCKER: What makes
it unique?
MS. LOCURTO: It's unusual to
have basically a mansion with 97 acres of undeveloped land. It's very unusual. 95 percent of property in Nassau County has some type of improvement on it. There's very few acreage or vacant land. Any of those with large vacant land are either parks or tax-exempt because they're part of tax exempt entities such as the hospital or the jail facility or county government buildings. So this is an extremely unique type property.

LEGISLATOR DRUCKER: But surely
the legal arguments to be made in a case like

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this are not novel. You have experienced, qualified attorneys who try tax certiorari cases all the time. If it involves 97 acres or ten acres does it change the legal arguments that need to be made?

MS. LOCURTO: The strategy was to
pick a counsel that they believe will be best able to defend the assessor's market value placed on the property.

LEGISLATOR DRUCKER: So you're stating for the record that there's not one attorney in the county attorney's office that has the skill or the competence to handle a case like this?

MS. LOCURTO: I'm not saying that at all legislator and $I$ think that would be very unfair to say to not only the tax certiorari attorneys that practice in that area and also the other attorneys in our office. There was a determination to make a trial strategy to put in a counsel that has tried this in other counties with similar issues for unique type property.

You can disagree with the trial

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strategy, that's fine, but we in the county attorney's office made the decision to pick this particular counsel to make the best argument and to defend the assessment. There's a potential here for a very large refund and it is incumbent upon us to do everything in our power to make sure that the taxpayers are best represented.

LEGISLATOR DRUCKER: And I'm
looking to save taxpayers as much money as we can too. I'm just wondering how that decision is made, your strategy, how do you arrive at that particular strategy?

MS. LOCURTO: It was in consultation with the acting assessor, the Assessment Review Commission. Because this spans over -- it goes back to the '12-13 tax year so we have over 11 tax years at issue and it is very difficult to value a property over that given span of time.

LEGISLATOR DRUCKER: Is there something you want to add?

MS. LOCURTO: No. I don't think we should discuss more of our litigation trial

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strategy in open session. The purpose of this contract, the purpose of my being here is to seek approval for special counsel. If you want to discuss the legal strategy or the competency of the staff that's something different. I would go into executive session if we're going to discuss further the county's legal strategy as to how we're going to defend this case then we should go into executive session.

LEGISLATOR DRUCKER: You're distorting my words. I'm not looking to discuss the strategy at all. I'm looking to find out the --

MS. LOCURTO: Legislator, I'm trying to answer your question but I didn't make that decision.

LEGISLATOR DRUCKER: I understand that. I'm looking to find out how that decision was made not the trial strategy. MS. LOCURTO: The decision was in consultation, I'll repeat myself, we discussed with the county assessor, with the head of the Assessment Review Commission and legal counsel

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to determine what it was the best suited counsel to proceed to put together an effective defense. That's how the decision was made.

LEGISLATOR DRUCKER: So you're not going to answer the question. Thank you.

LEGISLATOR NICOLELLO: Is there a
panel that we use for tax cert cases?
MS. LOCURTO: There is an
established panel in the county attorney's office for special counsel. There are few firms that are deemed qualified to handle tax certiorari. As you know, it's a very specialized area of law. And there are few firms that would not pose a conflict of interest. So that's why this firm was selected.

LEGISLATOR NICOLELLO: But it is anticipated that occasionally the county would have to go outside the office to hire a firm to defend the county in a case? MS. LOCURTO: Yes. LEGISLATOR NICOLELLO: Legislator Rhoads.

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LEGISLATOR RHOADS: Ms. LoCurto,
would it be fair to say that because of the complexity of the action there may be attorneys in the county attorney's tax certiorari department that are qualified to handle the case but because of the complexity of the case that would be the only case that the would be able to handle? Is one of the strategies going to outside counsel the fact that the number of staff you have and the resources that you have and the fact that that's all they would be able to work on to the detriment of the remaining cases in the portfolio?

MS. LOCURTO: Yes.
LEGISLATOR NICOLELLO: Any other
questions? Thank you Lisa.
The last contract before us is with
Information Technology and Assessment I guess. A-66 with Thimgan and Associates.

MR. JACOVINA: Good afternoon. Joe Jacovina, Deputy Commissioner Information and Technology. A-66, 2021 Thimgan and Associates for Department of Assessment.

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This is a renewal contract for
three years for the Prognose software providing annual support and maintenance for the residential property value assessment software. This includes modeling training and a mentorship program in assessment.

We are asking for approval for $\$ 550,000$ for the first year of this contract. This is a sole source contract. I will be happy to answer any questions.

LEGISLATOR KOPEL: I understand
this has a standard cancellation for convenience clause, right?

MR. JACOVINA: I believe it does.
LEGISLATOR KOPEL: How is this
fee paid? Is it paid as one lump sum annually?

MR. JACOVINA: No. It's paid $\$ 550,000$ a year for the three-year period.

LEGISLATOR KOPEL: That means annually?

MR. JACOVINA: Yes, annually. And then there's another 550,000 a year.

LEGISLATOR KOPEL: But it's paid
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at one shot?
MR. JACOVINA: No. We do not pay
it in one shot.
LEGISLATOR KOPEL: I'm sorry.
Each year you pay 550 in one shot or is it a monthly thing or something like that?

MR. JACOVINA: We believe it's quarterly.

LEGISLATOR KOPEL: If need be, if the new administration say decided to go ahead and cut that off is it cancelable during the year or is this a full year commitment?

MR. JACOVINA: That I'm not aware of.

MR. MILES: If I recall, the prior contract was opt in by years. I don't think it's something that you can cancel after a quarter. But we'd have to talk to the county attorney's office.

LEGISLATOR KOPEL: Okay.
LEGISLATOR NICOLELLO: When does
the current license or contract expire? Is that at the end of this year?

MR. MILES: It just ended I

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believe in November.
LEGISLATOR NICOLELLO: And we're
told that this software is vital to the operations of the Department of Assessment? MR. MILES: Correct.

LEGISLATOR NICOLELLO: Can you briefly go into that for us?

MR. MILES: Absolutely. Prognose
is a unique software wherein you can input models. So, for example, if there's six or seven models in the county you can input the data into Prognose and it will produce reports for you on a neighborhood or school district scale. We also use it for production of comparable market analyses for SCARs. So, for this past year I believe there were 13,000 SCARs that were taken to hearings and we used -- Prognose produced the CMAs to defend the county's value.

LEGISLATOR NICOLELLO: Any other
questions? Legislator Schaefer.
LEGISLATOR SCHAEFER: Quick
question. Mr. Miles, if the roll is frozen then are we using Prognose? Do we not need

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Prognose? What's the purpose? MR. MILES: I think you should still use Prognose one, especially for SCAR. No matter the status of the roll, whether it's paused or a trended roll or reassessment roll, you still need this program to produce comparable market analyses for court.

In terms of a valuation tool, I
think no matter what, whether you're paused or you're in a valuation year it's good to know where you are as a status in the county and it's a program that you can use to analyze the circumstances. So, I think it's a tool that would be valuable to the new administration.

LEGISLATOR SCHAEFER: But we
wouldn't be adding to it or anything, would we? Say the roll is going to remain frozen for the next year are we are adding anything to it or are we not?

MR. MILES: To the program?
LEGISLATOR SCHAEFER: Yes. Are we not necessarily updating anything?

MR. MILES: You could input
data. It will produce values. So, whether

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it's of use to the new administration or not it's up to them. But I think it's a good analytical tool to have to see where we're at. And you can utilize the data internally from Adapt and connect it to this software to gauge where your neighborhoods are trending up and down. There's still volatility I would say with the neighborhoods where we are now. But I think it's definitely a useful tool for the new administration to see going forward how Omicron affects the market and if this is the new reality because the market is very high right now or whether it settles down. No matter what the situation is $I$ think it's a valuable tool.

LEGISLATOR SCHAEFER: One more question. What if we don't renew it? What happens to the information? Is it not usable? What happens to the program?
MR. MILES: From a valuation
standpoint we'd have to create a new program. I don't know where we would be at. I think in terms of SCAR I think we would be scrambling to find a new program to produce comparable

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market analyses, and I think you would put the county in a tough position to defend the roll and it could put us in a situation of high refund liability.

LEGISLATOR SCHAEFER: Are you typically -- sorry another question -typically utilizing information for SCAR year round?

MR. MILES: Yes. Yearly basis. We usually try to use comparable sales closest to the taxable status date. We usually bookend the years. You can use prior to the taxable status date or post the taxable status date but you try to get around that tax year. LEGISLATOR SCHAEFER: But if it wasn't renewed we just wouldn't be able to new information in? Would we be able to retain what we have there?

MR. MILES: We have the data
in-house, the sales data, but the way that it produces the analyses we wouldn't be able to replicate it to the extent that this program produces.

LEGISLATOR SCHAEFER: Okay.
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Thank you.
LEGISLATOR NICOLELLO: Legislator
Rhoads.
LEGISLATOR RHOADS: Just one last question. I appreciate your answers so far. I guess the reluctance is with an incoming administration you would like to give them the opportunity to be able to evaluate what's going to work best for their strategy and locking them into a one year, what sounds like at least a one year term and a three-year contract. What happens if we were to delay this a month to give the incoming administration the opportunity to be able to conduct that evaluation?

MR. MILES: You know, because of SCAR being close to done I'm not sure if there would really be an impact in terms of SCAR. It would be nice for the new administration to have the ability to look at the program right when they begin to see if they want to start a -- if they want to do a reassessment or a trend. It's up to the new administration. You could delay it. I think it would be

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better not to but, you know.
LEGISLATOR RHOADS: Thank you. LEGISLATOR NICOLELLO: You did say that the license or contract had expired, the current contract, right?

MR. MILES: Yes. We did produce the CMAs for the end of the month because there are cases calendared to the end of the month. But, you know, you do lose the support then if you want to make changes to the market analysis in the program. So that's something to consider. We are at the tail end of the calendar. That's something to consider in terms of liability. But, you know, I highly recommend the program to the new administration. But it is something that can be delayed but I highly recommend to move forward with the program.

LEGISLATOR NICOLELLO: If we don't vote on it now by the time we go through -- we're looking at the middle of January. You're looking at an entire month. MR. MILES: That's right. LEGISLATOR NICOLELLO: Does that

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create a problem?
MR. MILES: Not in terms of
SCAR. In terms of begin processing for trends or values $I$ think every month is very valuable. The way that the calendar works, when you do valuations you really want to start as soon as those sales come in and, you know, when you do reassessment you like to have your numbers done or a trend or something like that in the fall. So every month you lose I think it's important. I think it's valuable to have every month that you can because of the size of the county. Like I said before, it's incomparable the number of parcels. So, it's tough to start on a good foot if you push this back too long I think. LEGISLATOR NICOLELLO: A couple of more questions. It was told to us it could be cancelled for convenience. But now there's some sort of representation it would probably be not feasible for an entire year.

MR. MILES: Please don't quote me on that. We would have to talk to the county attorney about that. I know the substance. I

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know the program. I don't know the details of the contract itself in terms of the options.

LEGISLATOR NICOLELLO: So, the
new roll of the Department of Assessment
freezing or is it doing trending,
reassessment, do you know yet?
MR. MILES: Currently we are on
pace to pause due to the volatility of the market. But we, you know, do have a contract with Standard Valuations Services and they did provide trends, commercial and residential. That's not to say they can't be inputted. I think that's probably a question for the transition what they want to do. I'd probably recommend closing the year on a pause and probably starting a new just based on the situation right now. But again, that's for the policymakers.

LEGISLATOR NICOLELLO:
Does
Standard Valuations use Prognose?
MR. MILES: They use Thimgan
Associates as a subcontractor and he would use this program.

LEGISLATOR NICOLELLO: That's

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different. Any other questions? All right. Did I have a motion to second on that? I did at the beginning, right. Any public comment on those contracts?

MS. MEREDAY: Meta J. Mereday. I work my way backwards I guess. The most recent one with regard to hearing that it was a sole source contract, I'm just curious as to how that contract was generated? And also, I continue to not hear that any of the vendors that are brought before this body, this county, have any representation as a minority women or veteran-owned business. Again, if we're talking about diversity, inclusion and most importantly equity, since we are in the top five of taxpayers, and I'm sure that creators and entrepreneurs of color who are veterans and also disabled who live and work in this county would like the opportunity to at least access a contract maybe within county government but I've yet to hear that reference mentioned in that.

Also, I was concerned about that there was a previous contract for the

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payment. I say we have to render those costs from Superstorm Sandy then we have to render those costs. Unfortunately, there was a lot of waste, misappropriation that was a part of the funding and the resource distribution from Superstorm Sandy. So, my concern continues to be the lack of let's just say accountability with regard to the contracts that was administered by the county for that process. And I can only hope that we can do a better job when we get federal funds. I'm not asking for another super storm or natural disaster. But in light of that, I'm hoping that we have learned some lessons as it pertains to contracting opportunities and being more inclusive, diverse and equitable. But I really am concerned again about the sole source process and the delay as far as getting information for contracts that relate to Sandy.

And my last question as it pertains to that Bay Park project, it was mentioned that there were other remedial activities going on. I'm hoping that there isn't going
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to be a situation where we have double billing because we have the conversion process that is taking place starting at Bay Park going to Cedar Creek. So, a lot of the activities relating to preparing the facility for that will require resource outlay. So, I'm hoping that we're not paying two different contractors for similar work that's involved in that particular project as well as that facility. Thank you. LEGISLATOR NICOLELLO: Thank you very much. Any other public comment? If not, I'll call for a vote on these three contracts, B-29, E-188 and A-67. All in favor signify by saying aye. Those opposed? They carry unanimously.

> Motion to recess by Legislator

Drucker, who's new to the committee. Seconded by Legislator Rhoads. All in favor of recessing signify by saying aye. Those opposed? Rules is recessed. (Committee recessed at 3:16 p.m.)

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## CERTIFICATION

I, FRANK GRAY, a Notary Public in and for the State of New York, do hereby certify: THAT the foregoing is a true and accurate transcript of my stenographic notes.

IN WITNESS WHEREOF, I have hereunto set my hand this 27 th day of December 2021.

FRANK GRAY

