

# ULSTER COUNTY EXECUTIVE

244 Fair St., P.O. Box 1800, Kingston, New York 12402

Telephone: 845-340-3800

Fax: 845-334-5724

**MICHAEL P. HEIN**

*County Executive*

**ADELE B. REITER**

*Chief of Staff*



**ROBERT SUDLOW**

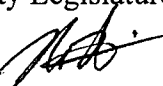
*Deputy County Executive*

**KENNETH CRANNELL**

*Deputy County Executive*

## VETO MESSAGE

**TO:** Victoria Fabella, Clerk of the Ulster County Legislature

**FROM:** Michael P. Hein, Ulster County Executive. 

**DATE:** December 23, 2015

**RE:** Resolution No. 445 of 2015 (Amending The 2015 Ulster County Budget To Reimburse The Town of Denning For Flood Mitigation Work Performed On Clair Road In The Wake of Hurricane Irene)

Pursuant to Ulster County Charter Section C-12, I am respectfully returning and vetoing Resolution No. 445, dated December 15, 2015 for the following reasons.

Contrary to the erroneous assertion in Resolution Number 445 of 2015's seventh "Whereas," the County of Ulster has not failed to facilitate the grant process. In fact, the County of Ulster has provided assistance to each and every municipality within this grant program. However, the County of Ulster cannot replace the towns when it is their responsibility to satisfy certain Federal or State requirements, nor can it certify that a town has satisfied these requirements if they have not. This would amount to a serious and fraudulent misrepresentation on the County's behalf.

Resolution Number 445 of 2015 is a well-intentioned, but inappropriate, budget amendment to require the County of Ulster to fund the Town of Denning's costs for damage done by Hurricane Irene that remain currently unreimbursed by New York State. The County of Ulster is, and has been, working with the requisite state agencies to assist the Town of Denning. Thus, the reimbursement process has not concluded, and the exchange of information is still ongoing.

This Resolution benefits one town to the exclusion of all others that are similarly situated. This Resolution also sets a dangerous precedent that puts Ulster County taxpayers at an unnecessary risk, as a result of state requirements.

In August 2011, Hurricane Irene seriously effected numerous Ulster County communities, including, but not limited to, the Town of Denning. Among the other Ulster County communities affected were Hardenburgh, Shandaken, Town of Ulster, Village of Ellenville, Wawarsing, Rochester, Lloyd, New Paltz, and others.

In response to the effects of Hurricane Irene, the United States Department of Agriculture, Natural Resources Conservation Service (hereinafter "NRCS"), and the Ulster County Soil and Water Conservation District (hereinafter "S&W") worked with numerous Ulster County communities to complete the required paperwork for reimbursement. The Federal government was to provide seventy-five percent (75%) reimbursement for the communities costs related to Hurricane Irene's damage, while New York State agreed to cover the remaining twenty-five percent (25%). In this instance the County of Ulster acted as the sponsor, and not a participant in the process.

For the last three (3) years, reimbursement has been held by New York State's Empire State Development Corp. Reimbursement to any community was dependent on that community meeting guidelines, such as procurement. Procurement is a guideline that must be satisfied for communities, such as Denning, Lloyd, and Ellenville, which contracted for the work to be done due to Hurricane Irene. The towns are responsible for meeting all applicable procurement requirements. The County of Ulster cannot satisfy these requirements for them. Part of the procurement guidelines for New York State's Empire State Development Corp. is verifying that a percentage of the work was contracted with Minority and Women-owned Business Enterprises (hereinafter "M/WBE"). In order to verify the M/WBE requirements, the County of Ulster, as the sponsor, has to attest to the fact that the town has met this requirement. As a signatory, and as a matter of fact, the County of Ulster cannot attest to this. In an attempt to assist, the County of Ulster is pursuing a possible M/WBE waiver given the unique circumstances caused by Hurricane Irene and its attendant damage. Thus, the reimbursement is still pending, and has not been denied.

What may not have been clear to the Legislature at the time of the vote was the fact that New York State has failed to recognize that the towns, under emergency conditions created by Hurricane Irene, had already completed the work that they are now seeking reimbursement for. Thus, the towns could not go back and satisfy the prerequisites in the grant, and the County of Ulster cannot certify that these prerequisites were met because there were not. Thus, the issue at hand here is between the towns and the State, and the County is functioning as an advocate for our Towns.

Although I recognize that this is a highly technical veto, I do share the desire of the Ulster County Legislature to assist the great people of Denning, and all Ulster County communities as they recover from this serious natural disaster. As an alternative, since this Legislative session draws to a close, I suggest that when the new County Legislature convenes, we meet to discuss a practical solution to this issue without placing the taxpayers of Ulster County at risk. Finally, if the state did not reimburse the County of Ulster, following this proposed action, the County of Ulster may well find itself in direct violation of the gift giving clause of the New York State Constitution.

As stated above, I cannot support Resolution Number 445 of 2015 for the following reasons:

1. The reimbursement process is still ongoing, and though Denning did not follow M/WBE requirements with their initial actions, the County of Ulster is now attempting to assist in obtaining a waiver for the Town of Denning from its M/WBE requirements due to this unique, emergency situation, which would in turn make State reimbursement possible; and
2. The County of Ulster cannot replace the towns when it is their responsibility to satisfy certain requirements (i.e. M/WBE), nor can it claim that a town has satisfied these requirements if they have not; and
3. We cannot set dangerous precedents that may harm Ulster County taxpayers now, or in the future.