

**ALLEGANY COUNTY BOARD OF LEGISLATORS
COMMITTEE OF THE WHOLE**

April 22, 2019

CALL TO ORDER: The meeting was called to order at 10:35 a.m. by Chairman Curtis W. Crandall

PLEDGE OF ALLEGIANCE TO THE FLAG: The Pledge of Allegiance was led by Chairman Crandall.

LEGISLATORS PRESENT: C. Crandall, G. Barnes, J. Burdick, P. Curran, D. Decker, W. Dibble (*arrived at 10:58 a.m.*), D. Fanton (*arrived at 10:56 a.m.*), K. Graves, B. Harris, S. Havey, D. Healy, J. Hopkins, J. Ricci, D. Root, P. Stockin (Absent: K. Graves, P. Stockin)

OTHERS PRESENT: T. Boyde, C. Clark, S. Decker, C. Knapp, C. Potter (*The Spectator*), B. Riehle

Wellsville Municipal Airport

Chairman Crandall stated the purpose of the meeting was to continue conversation on potential funding for the Wellsville Municipal Airport.

Allegany County Industrial Development Agency Director Dr. Craig Clark said that each time Site Selectors have come to Allegany County, they always talk about transportation and how critical that is. One of the biggest things to transport in and out of the County for business is people. The Town of Wellsville is asking for financial support from the County. Area businesses have expressed the importance of having the Wellsville Airport. He said, it's not just a Wellsville entity, it's a County entity. Having the Airport is a very large piece of the puzzle for economic development. Legislator Decker asked if the County has ever provided funding for the Airport. Dr. Clark said he believes it's the first time the County has been asked. Legislator Decker asked if the Airport was large enough to accommodate cargo planes. Dr. Clark stated that Adelphia used to have some larger planes using the Airport. Legislator Barnes stated the Airport is large enough to accommodate most any type of corporate aircraft. He stated that Fed Ex and UPS use airports smaller than Wellsville. Legislator Barnes said that Jamestown Airport has UPS airplanes landing, and Wellsville could handle that type of aircraft. Chairman Crandall asked how the Bradford Airport compares to Wellsville. Legislator Barnes stated that Bradford Airport runway is about 6,000 feet long. Wellsville Airport is just over 5,300 feet. Legislator Healy asked if Bradford Airport had commercial carriers. It was indicated that Bradford has been advertising commercial flights. Chairman Crandall asked Dr. Clark if he knew of any IDAs that had been involved with airports and if he could foresee our IDA getting involved. Dr. Clark said that he's not aware of any IDAs being involved with an airport. Most municipal airports are managed by a town or county. He hasn't discussed the possibility of our IDA becoming involved although he feels it's important enough to the community to have the airport in order to attract corporate business. Legislator Root asked if most of the airports were owned by towns and villages rather than being regional. Legislator Barnes stated he wasn't sure the exact number of counties that own airports, but he said there are several including Chautauqua County, Genesee County, Chemung County, and Tompkins County. He said that both Olean and Hornell Airports are owned by the city with help from the county. Legislator Harris brought up an economic impact study which was provided to the Legislators. Mr. Harris asked Dr. Clark if he was familiar with the methodology used to determine the economic impact these airports have on the local economy. According to the study, Hornell Airport self-reported a \$500,000 impact and Wellsville Airport self-reported \$4.7 million economic impact for a given

year. Dr. Clark said he wasn't sure but he could look into it further. It may depend on who was filling out the survey. Legislator Harris remarked that the survey says there were the equivalent of 22 full-time employees at the Airport at the time the study was done in 2010-2011. Dr. Clark stated that it's possible. Anyone working on a construction project up there would have been included. Legislator Barnes stated that there were a lot of employees at the time of the study. Some of that may have been due to capital projects that were being done but he had 12 full-time employees when he was managing the Airport. Dr. Clark stated that there was more up there than just the Airport. There was manufacturing at that time too. Legislator Barnes said he's not sure, but there are probably the equivalent of around 7 full-time employees currently. Legislator Harris suggested the report should be disregarded as it is 10 years old. He said, we all understand the importance of the Airport. The Airport is not in danger of closing. They have a balanced budget for 2019. He doesn't see the necessity. He feels it would be irresponsible for the Board to open the County up to potentially infinite funding for the Airport.

Legislator Ricci stated he doesn't like anything about this. He feels the request should have gone through the Economic Development Committee. He doesn't want this to become another line item in the County's budget. He thinks it would be a Pandora's box. There are 28 other towns and 9 villages which all have their own credible needs. Many of those bring outside money into the County. He said he can appreciate wanting to alleviate the tax burden for Wellsville residents but wondered why the IDA wouldn't be funding it if it's so important to economic development. Legislator Ricci also wondered why this wasn't part of their Roundtable 2021 discussions last year. Everyone had a chance to list things on there, and the Airport is nowhere to be found on it. The Comprehensive Plan Mission statement doesn't include anything about the Airport either. Mr. Ricci went on to say that he has questions regarding the budget for the Airport. The 2018 budget was \$613,854. The town board stated that the budget would continue to be around that same amount. Now we see the budget for 2019 is \$748,068. Chairman Crandall stated that the request for funding came in around the time the Board was putting the 2019 Budget together. They felt it was a topic for the Committee of the Whole because it was a budget matter. Legislator Ricci questioned why it costs so much more to operate the Wellsville Airport than the Olean Airport. He stated that in 17 years, the budget for the Olean Airport has not gone over \$331,000. The budget for 2019 is \$250,000. Wellsville Airport's budget is three times that amount. They offer the same service. He doesn't understand why it costs so much more to operate the Wellsville Airport. Legislator Barnes stated the Airport has a \$2.5 million runway renovation coming up. The \$750,000 budget is not all local funding. Each year it depends on how much state and federal aid they receive. Legislator Barnes stated that these projects are 90 percent paid for by the federal government. Five percent is paid for by the State and five percent by local government. Mr. Barnes stated that engineering costs are what we're seeing right now. Legislator Harris stated that the local share of the engineering costs is \$15,000. Legislator Harris stated the majority of the increase in the budget that Legislator Ricci is talking about is \$20,000 in salaries and \$80,000 in fuel purchase costs. I'm sure they are expecting an increase in revenue from fuel sales, but the only thing that appears to be related to a capital project is the \$15,000 for engineering. Legislator Healy asked why Palmer Aeromotive left the Airport. Legislator Barnes stated that they painted aircraft. The NYSDEC asked them to make some changes which cost \$500,000. Palmer Aeromotive complied and made those upgrades, and the NYSDEC was satisfied. A year later the NYSDEC wanted them to make additional upgrades that were very costly. Mr. Palmer decided to move out of the Wellsville Airport. Forty-five people were out of work.

Legislator Fanton stated that we take in a lot of tax money from Wellsville, and in his mind we don't share any of it. He feels it would be a positive thing to do to support the community, noting that it's not going to break the bank. Legislator Harris stated that he appreciates Legislator Fanton's position but he doesn't understand why Mr. Fanton doesn't think we share County tax with Wellsville. Legislator Harris said that Wellsville receives a greater share of County services because there is a greater population. They receive more services from Social Services, the Health Department, Department of Public Works, and Public Safety. Legislator Root stated that when she worked at Dresser-Rand, the population in Wellsville was around 7,000 to 8,000. During the day, the population swelled to 11,000 to 12,000. There are a lot of people who come to Wellsville during the day.

Legislator Havey stated there's no doubt in his mind that the Airport is an asset for the County. It's a matter of if and how we're going to support it. He's not in favor of anything that looks like a bailout for the Town of Wellsville. Because it is a County asset, he would consider an investment in something that would help the County.

Legislator Burdick stated that the County is going to be sharing sales tax with the towns and villages because of AIM Funding. It's going to impact our Budget. She shared that in the Town of Alfred they have a road that needed maintenance. The IDA was after the town to fix the road because of one business that is located on that road. The town had to pay for those repairs. She said, if you're looking for economic development, you can't just look in Wellsville. She questioned what the other towns and villages are going to need. Legislator Barnes stated that Legislator Burdick's example is fine, but an airport is completely different than a town road leading to nowhere. An airport offers the opportunity for investment from outside the County. It provides the opportunity for someone from outside the County to buy a business or start a business. An airport has a certain positive economic effect. Roads are necessary, but an airport is different than one road. The whole county benefits from the airport, the entire county doesn't benefit from one road in Alfred. Legislator Fanton suggested taking the Town of Wellsville out of the picture. He said, we're giving money to the airport, not the town.

Chairman Crandall asked County Attorney Knapp to give an overview of the legalities involved in giving money to the Airport. Ms. Knapp stated that there are some counties that have an airport or share an airport. We can support the Airport financially. We'd have to pass a local law to do so. After the local law is passed, the Board would have to adopt a resolution appropriating money to the Airport.

Legislator Dibble stated he was hoping to get five years of financial statements from the Airport. He questioned if Wellsville Airport should be a county airport. He thinks they should look into whether this should be owned by the County. Legislator Ricci stated that the Airport was built first and foremost for Wellsville. Two-thirds of the County is located closer to Olean and Hornell Airports. He's not advocating that we use those airports, but it's not the only game in town. He doesn't want to see it fold. Legislator Barnes stated that the original Wellsville Airport was going to be built between Scio and Belmont. It would have been a disadvantage because it would have been in the valley. It's necessary to have a site that is high so there aren't any obstructions for landing and taking off. He noted that the biggest advantage Wellsville Airport has is that in inclement weather, Wellsville Airport is able to be used about

98 percent of the time. Olean can only be used 85 percent of the time, and Hornell can only be used 70 percent of the time.

Legislator Harris remarked that this is not a \$50,000 decision. It would likely result in hundreds of thousands of dollars in future requests for funding. He finds it unlikely that the County will ever cease to continue funding this once it's started. Legislator Decker stated he is conflicted. He can agree with everyone's comments. He sees the benefits in helping out the Airport, but he feels it could turn into far greater expenditures if other entities come looking for help. Legislator Hopkins stated she feels conflicted as well. There are a number of valid points that have been made. She feels it's important to look at the County as a whole when considering economic development. She remarked that in the northern part of the County people often feel forgotten. She said she had spoken with Houghton College, and they indicated that they rarely use Wellsville Airport. She does see the Airport as an asset for the entire county, not just Wellsville. She feels the Board needs to look at the facts and figures. She too feels that if the County begins to support the Airport it will probably continue. Legislator Root said that everyone has made some really good points. We are in a different world than when the Airport started. She doesn't understand why this is not part of the Comprehensive Plan. She agreed that there would probably be future distributions if the County decides to support the Airport. Legislator Root feels there needs to be a much larger discussion on how this fits the County mission and our budget. The Board needs to discuss where the Airport fits in Allegany County.

Chairman Crandall stated that \$50,000 was earmarked in the Budget so a discussion about whether or not to support the Airport could take place at a later time. He noted that it's been discussed twice since the beginning of the year. He stated he doesn't think the Board wants to give continued financial support especially without financial statements. Chairman Crandall stated that the County Fair receives funding because it's for county-wide benefit. There are a couple of other organizations that the County has supported as well. If a local law is adopted, we still have to have a resolution for the appropriation. There could be criteria in the resolution requiring financial statements to be provided. Legislator Fanton remarked that the Wellsville Airport is an economic development tool that the County should support.

Several Legislators expressed the need for more information before they could decide. They then discussed the time frame involved in adopting a local law. Because the process for adopting a local law would likely take a couple of months, it would give them additional time to gather more information to help with their decision. A motion was made by Legislator Barnes, seconded by Legislator Havey, and carried on a roll call vote of 9 ayes, 3 noes, and 3 absent (Voting No: Dibble, Harris, Ricci; Absent: Curran, Graves, Stockin), to refer the matter of providing funding to the Wellsville Airport to Ways and Means. **Refer to Ways and Means**

Chairman Crandall stated that information requests should be forwarded to the Ways and Means Committee. Legislator Decker stated that a report that is 10 or 11 years old shouldn't be included. He would like to see one packet with up-to-date information. Legislator Harris stated that he has a problem with the report. The list of people/businesses that use the Airport doesn't show economic impact. If someone used the Airport once, that doesn't show economic impact. Legislator Hopkins agreed. Legislator Harris stated it would be nice to see how much revenue is generated from different areas (i.e., industry, education, etc.).

ADJOURNMENT:

There being no further business to come before the committee, the meeting was adjourned at 11:55 a.m. on a motion by Legislator Decker, seconded by Legislator Fanton, and carried.

Respectfully submitted,

Sarah M. Decker, Journal Clerk/Deputy Clerk of the Board
Allegany County Board of Legislators