

**SPECIAL MEETING
OF THE
PUTNAM COUNTY LEGISLATURE
CALLED BY THE CLERK AT THE REQUEST OF THE CHAIRMAN
HELD IN ROOM 318
PUTNAM COUNTY OFFICE BUILDING
CARMEL, NEW YORK 10512**

Thursday

October 9, 2014

6:00 P.M.

The meeting was called to order at 6:03 P.M. by Chairman Albano who led in the Pledge of Allegiance. Upon roll call, Legislators Scuccimarra, Oliverio, Tartaro, Nacerino, Gross Castellano, LoBue and Chairman Albano were present. Legislator Wright arrived at approximately 6:15 p.m.

Item #3 – Approval/Settlement Litigation Matter.

At 6:04 P.M., Legislator Oliverio made a motion to go into executive session to discuss the litigation matter with the County Executive; seconded by Chairman Albano. All in favor.

Legislator Oliverio stated that he had a prior commitment and needed to leave at 6:30 P.M.

At 6:45 P.M., Chairman Albano made a motion to come out of executive session; seconded by Legislator Nacerino. All in favor.

Chairman Albano read the proposed resolution.

Legislator LoBue made a motion to remove from the first paragraph, last sentence: “for recovery under a theory of fraud, unjust enrichment and constructive trust”; seconded by Chairman Albano.

By Roll Call Vote: Eight Ayes. Legislator Oliverio was absent. Motion carries.

Legislator LoBue made a motion to amend page two (2) and remove: “Whereas the County Executive has evidenced her support for the proposed settlement”; seconded by Chairman Albano.

Legislator Wright asked Chairman Albano to state the question.

Chairman Albano read the requested “Whereas” to be removed.

Deputy County Executive Bruce Walker agreed to removing this “Whereas” clause because the County Executive was not supportive of Attachment “A” for the fact that it does not extend the closing period.

Legislator Wright recommended tabling the question pending further executive session on the

] matter. He stated that when the Legislators came out of the previous executive session, we were of the belief that there was a County Executive recommendation for this proposal.

At 6:53 P.M., Legislator Castellano made a motion to go back into executive session; seconded by Chairman Albano. All in favor.

At 7:13 P.M., Chairman Albano made a motion to come out of executive session; seconded by Legislator Nacerino. All in favor.

Chairman Albano called for a vote to strike the "Whereas" clause as recommended before executive session.

By Roll Call Vote: Seven Ayes. One Nay – Legislator Wright. Legislator Oliverio was absent. Motion carries.

Chairman Albano stated that there were two options attached to the resolution. If the first one was not approved, he would then call for a vote on the second option.

Chairman Albano moved the following; seconded by Legislator Nacerino.

RESOLUTION #246

APPROVAL/SETTLEMENT LITIGATION MATTER

WHEREAS, on May 16, 2012, the County of Putnam filed a Summons and Complaint in the Putnam County Clerk's Office commencing litigation against the Putnam Community Foundation, Putnam Hospital Center, Mahopac National Bank and the New York State Electric & Gas Corporation, as was authorized by Resolution 121 of 2012 of the Putnam County Legislature; and

WHEREAS, the aforementioned litigation was commenced for the purpose of recovering title to two parcels of real property located along Stoneleigh Avenue in the Town of Carmel ("Stoneleigh Avenue Parcels") which had been conveyed to the Putnam Community Foundation by the County of Putnam in 2001 for the purpose of constructing a senior housing development thereon; and

WHEREAS, the Putnam Community Foundation subsequently conveyed a small portion of said Property to Putnam Hospital Center for the sum of \$1,100,000.00; and

WHEREAS, the Putnam Community Foundation obtained a grant in the amount of \$2,000,000.00 to facilitate its construction of senior housing on the Stoneleigh Avenue Parcels; and

WHEREAS, between June 1, 2009 and October 15, 2010, the Putnam Community Foundation submitted seventeen (17) requisitions for reimbursement of grant funds totaling \$1,854,811.56 in connection with a senior housing project that, to this day, has yet to be built; and

WHEREAS, the Putnam County Legislature later learned that it the Putnam Community Foundation extinguished their approved plan for 120 senior housing units; and

WHEREAS, it was the intention of the Putnam County Legislature, through the means of a court proceeding, to insure that the original intended purposes of the sale of the Stoneleigh Avenue parcels are satisfied; and

WHEREAS, the Putnam County Legislature has been advised of the fact that a tentative agreement has been reached between the parties which would insure that those purposes would in fact be safeguarded; and

WHEREAS, the Defendant has agreed, in concept, to such a settlement with the County, subject to the Legislature's approval, in accordance with the terms of the Stipulation of Settlement and Terms of Sale attached hereto as Schedule "A" and Schedule "B", respectively; and

WHEREAS, the County Attorney has also recommended the settlement as an alternative to lengthy and expensive litigation; and

WHEREAS, the settlement is in the public interest and has avoided the costs of further litigation; now therefore be it

RESOLVED, that the settlement of this matter, in accordance with the terms of the Stipulation of Settlement attached hereto as Schedule "A", is hereby approved.

BY ROLL CALL VOTE: SEVEN AYES. ONE NAY – LEGISLATOR WRIGHT. LEGISLATOR OLIVERIO WAS ABSENT. MOTION CARRIES.

There being no further business, at 7:15 P.M., Legislator LoBue made a motion to adjourn; seconded by Chairman Albano. All in favor.

Respectfully submitted by Diane Schonfeld, Clerk.