

UCIDA

Ulster County Industrial Development Agency

ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES February 12, 2020

A regular monthly meeting of the Ulster County Industrial Development Agency was held on Wednesday, February 12, 2020 at 9:01 A.M. at SUNY Ulster, 94 Marys Avenue, Room 101, Kingston, NY.

Roll Call:

The following agency members were present:

Randall Leverette	Chair	
Faye Storms	Vice Chair/Assistant Treasurer	Arrived 9:17 A.M.
Richard O. Jones	Treasurer	
Michael J. Ham	Secretary	
Paul Andreassen	Assistant Secretary	
Daniel Savona	Member	

The following agency members were absent:

James Malcolm	Assistant Secretary
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Additional Attendees:

Rose Woodworth	Agency Staff
A. Joseph Scott, III, Esq.	Agency Counsel/Bond Counsel
Joseph P. Eriole, Esq.	Agency Counsel

The meeting was called to order at 9:01 A.M. by Chair Randall Leverette.

Roll was called, and a quorum was present.

READING OF THE UCIDA MISSION STATEMENT

The mission of the Ulster County Industrial Development Agency is to advance the job opportunities, general prosperity and long-term economic vitality of Ulster County residents by targeting tax incentives, bonding and other assistance to foster creation and attraction of new business and the retention and expansion of existing business.

MINUTES

Motion: Richard Jones, seconded by Paul Andreassen, moved to approve the minutes of the January 8, 2020 meeting with the correction of Paul Andreassen's title from Chair of the Audit Committee to Chair of the Governance Committee under the Governance Committee section. A copy of said minutes is on file.

Vote: The motion was unanimously adopted (5-0).

EXECUTIVE SESSION

Motion: Richard Jones, seconded by Daniel Savona, made a motion to go into Executive Session for the purpose of discussing the employment history and/or the appointment of a particular person or corporation.

Vote: The motion was unanimously adopted (5-0).

The Board entered into Executive Session at 9:04 A.M.

Note: Faye Storms arrived at 9:17 A.M. during Executive Session.

Motion: Daniel Savona, seconded by Faye Storms made a motion to come out of Executive Session.

Vote: The motion was unanimously adopted (6-0).

The Board came out of Executive Session at 10:07 A.M.

No action was taken during the Executive Session.

FINANCIALS

Executive Director Rose Woodworth presented the financial report. Ms. Woodworth discussed the finalized December statement, which was not complete for the January board meeting because the accounting for the Agency is done on the accrual basis of accounting, and a few bills for services in December had not yet been received. For 2019, the Agency was mostly on-budget. Administrative Fees went slightly over budget because the UCCRC did not reimburse the UCIDA for as much as expected. However, Administrative Fees did not go over budget when combined between both the UCIDA and the UCCRC. Legal Fees were also high due to the lawsuit, but \$80,000 was recovered and is reflected under Other Income. The Agency ended the year with net income of \$156,043.96.

Ms. Woodworth then presented the January 2020 statement. The Administrative Fees for January are high due to annual reporting, but that is expected to level off throughout the year.

Motion: Paul Andreassen, seconded by Richard Jones, made a motion to accept the 2019 year-end and January 2020 financial reports as presented.

Vote: The motion was unanimously adopted (6-0).

CHAIR'S REPORT

Chair Leverette presented his Chair's Report. As part of his report, the Chair reported on the following:

- A. Board and Bond Counsel – The Chair reported that it is important that the Agency follows and adopts best practices employed by many other IDAs. One of those best practices is the inclusion of Board Counsel as part of the Agency's legal team. The adoption of this practice allows the Agency the benefit of Board Counsel to handle administrative tasks such as closing aged out projects, FOIL requests, assisting with compliance and monitoring and other project related matters at a reduced cost to the Agency and projects. The Chair recommends that the Agency appoints Joseph Eriole as Board Counsel and FOIL Officer and Joseph Scott as Bond Counsel and requested authorization to execute both letters of engagement that the attorneys have crafted for the Agency.

Motion: Paul Andreassen, seconded by Michael Ham, made a motion to appoint Joseph Eriole as Board Counsel and FOIL Officer and Joseph Scott as Bond Counsel and to authorize The Chair to execute of both letters of engagement that the attorneys have crafted for the Agency.

Vote: The motion was unanimously adopted (6-0).

- B. Public Hearing for the Agency UTEP – The Chair reported that the Public Hearing is scheduled for Monday, March 9, 2020 at 7 P.M. at Kingston City Hall.
- C. Live-Streaming – The Chair reported that Aaron Lacan Agency is present at the meeting to facilitate the Agency's first live-stream. The Agency has not yet entered into an engagement for live-streaming, but The Chair authorized Aaron Lacan Agency to live-stream this meeting at a price of \$450 plus \$50 for uploading the video. The fee for live-streaming during Public Hearings and board meetings with applicants present will need to be discussed further.

Motion: Michael Ham, seconded by Faye Storms, made a motion to engage Aaron Lacan Agency to record the meetings for the period of one year and instruct counsel to develop an agreement for said service. Said agreement is also to stipulate that ownership of all video and audio back-ups related to public broadcast including the management and operation of the Agency's YouTube channel will remain the property of the Agency and will be surrendered upon demand at any point that this agreement is terminated or expires.

Vote: The motion was unanimously adopted (6-0).

- D. Saugerties Town Board – The Chair reported that Paul Andreassen invited him to speak about the IDA at the Saugerties Town Board meeting on February 19, 2020.
- E. Economic Development Committee – The Chair reported that he and Mike Ham attended a meeting of the Economic Development Committee. A copy of the Bill regarding prevailing wage was distributed to the Board in the supplemental package. The Chair reported that the Committee approved the Bill but removed the first and last resolve.
- F. Supplemental Package – The Chair reported that the supplemental package includes material from Hodgson Russ and a provision from the Governor’s budget pertaining to prevailing wage.
- G. FOIL Request from Central Hudson – The Chair reported that Counsel is still working the FOIL Request from Central Hudson, the response is due Friday, February 14, 2020.
- H. Ulster County Comptroller Survey – The Chair reported the Agency is working to complete the survey which is due February 19, 2020.
- I. PKHB – The Chair reported that the Agency’s audit firm, PKHB, was acquired by another firm. The engagement letter will need to be resigned.
- J. Fiduciary Forms – The Chair reported that the Executive Director will provide fiduciary forms and surveys to any Board members that were absent last meeting.

EXECUTIVE DIRECTOR’S REPORT

Executive Director Rose Woodworth presented her Executive Director’s Report. As part of her report, she reported on the following:

- A. New York State Economic Development Conference – The Executive Director reported that she attended the New York State Economic Development Conference on January 29, 2020. The Office of the State Comptroller presented on the PARIS Report. During the presentation it was obvious that there is a lot of grey area and room for improvement with regard to reporting. As a takeaway, the Executive Director would like to see the Agency come up with a way to verify the end cost of a project. The Comptroller did not have a specific suggestion on how to obtain the numbers but stated that it is important to follow-up on. After the meeting, the Executive Director attended a dinner hosted by Hodgson Russ, LLP. Ms. Woodworth spoke with staff from other IDAs and discussed the issues with live-streaming and website compliance. The consensus was that many IDAs are struggling to keep up with all of the recent changes.
- B. Public Hearing for the Agency UTEP – The Executive Director reported that about 250-300 mailings will go out to all Town Board Members and Supervisors in Ulster County.

- C. PARIS Report – The Executive Director reported that most projects have at least answered the request for information for the PARIS Report, but most of those are missing some documentation. She estimates that seven projects have not answered at all.
- D. Hodgson Russ Invoice for December Legal Services – The Executive Director called attention to Counsel’s invoice on page 13 of the packet and requested approval to pay the legal fees.

Motion: Paul Andreassen, seconded by Michael Ham, made a motion to approve payment of Hodgson Russ LLP’s legal fees as presented.

Vote: The motion was unanimously adopted (6-0).

- E. Loewke Brill – The Executive Director presented the first report from Loewke Brill. The report is incomplete because it only represents the one-day site visit, not the weekly labor reports that they will gather going forward.
- F. Inness NY, LLC – The Chair informed the Board that the Agency has received a request to extend the sales tax letter to all contractors working on the Inness NY, LLC Project. The request will take legal and administrative time, so the Chair suggested charging a fee for satisfying the request. After reviewing the initial labor data from Loewke Brill, the Board wants to be sure the Project is in compliance with the labor requirements. The Executive Director noted that she will check the Agency’s files to make sure the Project has submitted all year-end annual reporting data. Board Counsel will draft a response to the Project.

COMMITTEE REPORTS

Audit Committee

Richard Jones, Chair of the Audit Committee presented the new engagement letter from UHY, LLP, the firm that acquired PKHB. A copy of which is on file. After reviewing and discussing with Matthew VanDerbeck, Mr. Jones informed the Board that he is satisfied with the new letter. The contract and terms of the audit remain the same. Board Counsel will review the engagement letter prior to The Chair executing it.

Finance Committee

No report. A Finance Committee meeting will be scheduled for April/May.

Governance Committee

Paul Andreassen, Chair of the Governance Committee, reiterated that The Chair will speak about the IDA at the Saugerties Town Board Meeting on February 19, 2019. Mr. Andreassen also reiterated that the Public Hearing is scheduled for Monday, March 9, 2020 at 7 P.M. at the Kingston City Hall.

OLD BUSINESS

Annual Administrative Fees for Projects

The Board revisited the discussion on Annual Fees. In May, the Board voted on and approved having the annual fees charged to each existing project. In June, the Board discussed only charging annual administrative fees to new projects going forward.

Motion: Richard Jones, seconded by Faye Storms, made a motion to reaffirm the resolution passed at the May 2019 Board meeting to charge fees to all existing projects.

Vote: The motion was unanimously adopted (6-0).

Status of Pending Projects

A. Joseph Scott, III, Esq. reported on the status of pending projects:

- Wildberry Lodge, LLC – No change. Project is completing SEQR process. No action can be taken until the process is completed.

Meeting with the Office of Economic Development

Richard Jones asked The Chair about the status of a resolution urging the Chair to meet with the Office of Economic Development and discuss what role they can play in conjunction with the Agency. After reviewing the minutes from the meeting in question, it was determined that no such resolution was passed; however, the Chair plans to put together a marketing package for the Agency, and some of that can be shared with the Office of Economic Development.

PUBLIC COMMENT

Lynn Archer commented that she is an advocate for economic development and would like to engage the IDA, Office of Economic Development and Legislature. She hopes to organize a joint meeting in one to two months. Ms. Archer also commented that she agrees with the Agency's decision to charge a fee to all projects. Ms. Archer raised a concern with regard to the sales tax letters being issued to the subcontractors working on the Inness NY, LLC project and would like the Agency to consider how to verify that the subcontractors are using the exemption for materials for the intended project only. Ms. Archer also requested that the Agency try to inform the public of a timeframe for Executive Session so they are not waiting in the hall for one hour.

ADJOURNMENT

Motion: Paul Andreassen, seconded by Richard Jones, moved to adjourn the meeting.

Vote: The motion was unanimously adopted.

The meeting was adjourned at 11:28 A.M.

Respectfully submitted,

Michael Ham, Secretary