

NAME

1/12/2022 IDA Governance Committee Meeting Part Two

DATE

February 28, 2022

DURATION

47m 36s

6 SPEAKERS

Rose Woodworth

Michael Ham

Diane Eynon

Richard Jones

Joe Scott

IDA Governance Committee Members

START OF TRANSCRIPT**[00:00:01] Rose Woodworth**

Ok so for the record, I just wanted to clarify that no action was taken during executive session. Ok.

[00:00:14] Michael Ham

All right Rose, let's go to old business. Ok. The mentoring program update should be in the packet.

[00:00:22] Rose Woodworth

Yeah. So um, so is somebody trying to get in now? Oh Alicia still. Okay. Um, so this was just an update. We had talked about doing a pamphlet for Economic Development and for, you know, whoever of applicant checklist and whether or not like your project may or may not be right for the IDA. So that's on page 7. It's, It's kind of weird to look at, right? Because it's two full pieces of paper and not folded into what the pamphlet would be, but it gives you an idea, and I was just wondering if anybody had feedback and I didn't know if we want to go forward with this or wait until we deal with like a larger marketing and communications platform first.

[00:01:18] Diane Eynon

Yeah, Rose that's actually when I was looking through this, the first thing that came to mind is now that we are, we're talking about communications and also a marketing strategy that perhaps when we have the group that we're working with. Maybe this is something they can help us with. It'll have the same look kind of messaging feel. And I think this is really great. But you know, I started to read it in my eyes glazed over it immediately.

[00:01:45] Rose Woodworth

Yeah.

[00:01:46] Diane Eynon

Well that's so important, right? So if there's a way working with the marketing folks that you're really gleaning out some of the key things and making it more interactive for folks to find the information. So, I think it's the information's all on here and it's great, but maybe wait for that if we can.

[00:02:02] Rose Woodworth

Yeah, there wasn't like much time wasted on it or anything, either. So it's not like we're losing anything because all of this was already typed up. So all we did was like, physically copy and paste it into this. So this was just a quick update of where that was at. And then that's...

[00:02:20] Diane Eynon

I'm sorry Rose and having said that, I mean, if we have folks that are potentially coming on, you know, because it's part of the mentoring program that we want to do, it may be a great kind of tool to use now in the interim until we work through with the communications strategy.

[00:02:36] Rose Woodworth

Maybe I'll just print it here. I mean, in black and white and not pretty or something, you know, or just send us an email to people that we're dealing with directly, but not use it as something to like, be pushing out there yet.

[00:02:51] Diane Eynon

Yeah, not yet. Yeah.

[00:02:53] Michael Ham

You know, I think it's a, I think it's a good format, even when we meet in the, the pre groups with the applicants we already cover ninety five percent of what we have here in this pamphlet, we go through it. So it is a mentoring process when we meet as the subcommittees, the subgroups or prescreen groups, I'm sorry, with the potential applicants. I think this just puts it on paper. And, you know, I agree with Rose. Maybe we just get it printed out right now for anybody coming in until we get the market. The marketing company to maybe give us some input on how to, how to clearly you know present it a little, you know, present it a little clearly. So...

[00:03:40] Rose Woodworth

You know, I was thinking of printing it here in black and white, just so that we're not spending money on like a professional printer. But I could also just send it to staples and print 20 copies and waste like two dollars, right? So maybe, maybe I'd just do something like that and not print like five hundred for print. Print a little bit to, to have it available.

[00:04:01] Richard Jones

Why don't you do what you think is best in the interim? And I agree with Mike and Diane. Let's wait till we get the marketing guru on board.

[00:04:08] Rose Woodworth

Yeah, I think so.

[00:04:09] Richard Jones

I think, I think enough, enough said. Thanks Mike.

[00:04:12] Michael Ham

So let's move on to the shared fees from the IDA to the CRC. Rose, do you want to report on that?

[00:04:22] Rose Woodworth

Yeah, we had yeah, we've been talking about this obviously a long time, and I know Rick and I had talked about it with the governance committee last time we met as well. But to just bring it back. We were talking about how potentially there would be ways for the IDA to share its fees with the CRC, so the IDA can't directly give donations or grants. Except for in the extreme purposes like the PPE stuff that was temporarily approved by the Legislature, by the State Legislature. So what we were talking about was how can those fees get pushed over to the CRC? Obviously, legally, ethically. And I had reached out to ABO, per the direction that we got from you guys at the last governance meeting. That email is following this. Little like memo from Rick and I. And then obviously, Joe is here, too to discuss any ideas and things that he had as well about how to do that and the thoughts on this memo were just it. Just as a reminder, we're just, Rick and I brainstorming potential pros, cons, et cetera, and what we might do with the money if it was able to be shared rather than just using it to deal with the administration of the IDA.

[00:05:51] Richard Jones

So it sounds like after reading the email from ABO, it sounds like they're saying it's up to the IDA within the constraints of the existing law, which says to operate as they would. And the existing law says IDA can't give grants UCCRC can. Ergo... You guys figure out how to split the fees. And I'll let Joe put that into legalese.

[00:06:21] Rose Woodworth

You're muted, sorry.

[00:06:24] Joe Scott

I'm actually surprised that they were at best or at worst, ambivalent and at best positive. The um, so my suggestion would be that we, we create a carefully worded resolution making clear why we're doing what we're doing, and we have some sort of contract between the two bodies indicating that we want the CRC to do economic development work in connection with the splitting of the fees and that we want them to report back to us on a periodic basis as to how they're doing. And I think that gives us, you know, a legitimate basis for moving forward. This is all being done, Rick, in the context of you can't do indirectly what you can't do directly and there are provisions. There are opinions of the of the comptroller and the ABO on that point. So we need to we need to be careful there. But the, I think there is a path. Is the path completely free from peril? No. The downside here is if you are audited by the ABO or the Office of State Comptroller, there may be an audit comment and a criticism. And and I want to say 15 years ago, my IDA clients and LDC clients would shrug that off. Now, given the current climate, they they don't shrug that off. And the other issue with an audit write up is that, is that it is made public. I mean, the the Office of State Comptroller and the ABO is very good at publicizing with the local newspaper notifying them of their audit findings. So there could be some potential negative media with respect to this. But again, I think, I think there's a basis for moving forward and the, and the downside is not, you know, is not criminal, not civil penalties. It's, I would see the downside as some sort of audit comment.

[00:08:50] Richard Jones

I think, if I may Chair. Joe, you were the guy who figured out 25 years ago when the tax laws changed how to go, how to create a CRC to continue to do bonding, which was no longer allowed under the tax laws for the IDA to do. So, Chair, I think the governance committee should report out that we have our attorney come up with a mechanism for doing this. I think it can be very useful, doesn't mean that we're going to do it, but a way of doing it that's totally transparent, totally within the constraints. I like the term: You can't do indirectly what you're not permitted to do directly. And I think what we're doing here is creating I like the idea of a contract between the parties. So I'd like to see us go forward Chair.

[00:09:35] Michael Ham

Yeah, I agree with you, Rick. You know, Joe is...Joe is already going to, you know, he's got some notes there to create the resolution and craft it the way we want to see fit on the shared fees, OK?

[00:09:47] Richard Jones

It makes no sense to have fees. Some of this money just sitting around. We're not going to buy property. We're not going to get into the property management business.

[00:09:57] Michael Ham

No, I think it, I think as a board we, we spoke about that You know that if you have an opportunity to do something for the community with that money instead of it, it doesn't do the CRC any good to have eight hundred thousand nine hundred thousand dollars sitting in, sitting in an account, just laying there, you know, especially if you can, you've got certain community services you can help out. So...

[00:10:20] Diane Eynon

Just a few things. I agree with what Rick said, and I think this is a good direction. And, you know, it doesn't make sense to be sitting on money that could value, and be of value to the community. Potentially, I guess, a couple of things just in terms of potential areas for support. I know these are potentials and ideas, so I think we would just have to be really clear about what the potential areas are for support, kind of how we would actually support those. We need a criteria and parameters for that. And then also in terms of distribution, similar to probably what we did with the grants for People's Place, right? So we had some set criteria and guidelines for this. So I just think moving forward, I like the idea of it being really clear about things we may or we may support and why and then criteria for doing so.

[00:11:17] Michael Ham

I agree, well put. You know, you're right. We got to watch it where we become an entity that's donating to subsidize a lot of stuff, you know, I mean, and we have to be careful on it, too.

[00:11:32] Diane Eynon

I think we have to be really clear why and...

[00:11:34] Michael Ham

For transparency purposes, I agree. I agree.

[00:11:38] Diane Eynon

And also to maximize the use of the resources in the community and across the county.

[00:11:43] Richard Jones

There were some suggestions in the email from Rose and I right where it says potential areas of support and we tried to make them for what? Housing, education, for green technology, education, for farming or hospitality? And then the last bullet point vocational education, including and then there was a list of things not at all limiting. And they can probably be summarized better, but things that go towards green housing and education.

[00:12:12] Diane Eynon

I think all of them are great. Right, just that we're clear why these particular areas.

[00:12:18] Rose Woodworth

I just want to be clear on expectations on the timing here. So I know we want Joe to draft the resolution, but I don't think I mean, I guess I shouldn't really speak for him, but I'm not sure it's possible to have that done for next week's board meeting because we have to have the board documents out. We're supposed to have them out, try to have them out today.

[00:12:37] Richard Jones

I didn't anticipate that till next week.

[00:12:40] Rose Woodworth

I just wanted to be clear that unfortunately, that's the problem with having committee meetings right up next to the board meetings. But Joe and I'll certainly get working on that.

[00:12:54] Joe Scott

Just point of, point of information from a historical standpoint, what you might find interesting is that in the 80s and the 90s, when the IDA was administered by a not for profit corporation, UCDC there was a splitting of fees at that point.

[00:13:13] Rose Woodworth

Oh yeah, that is interesting.

[00:13:19] Richard Jones

Oh, you can be our history professor.

[00:13:24] Rose Woodworth

I'm going to make jokes, Joe, but I'll keep them to myself.

[00:13:27] Richard Jones

You even look like a history professor today with your Boston Red Sox hat.

[00:13:34] Joe Scott

One of my partners used to say, I want a job where I can wear a hat to work.

[00:13:42] Michael Ham

Take it from me, Joe. No, you don't. Ok.

[00:13:47] Richard Jones

When you wear your suit, you could always wear an old fedora. I think I have one or two laying around.

[00:13:54] Michael Ham

So let's, let's move into the amended policies portion here. We'll try to move this along because of technical problems here earlier. So on page 12 of your packet, you'll see the Procurement Policy. We've talked about this. In the regular IDA meetings about NDAs and the RFP for professional services okay? And how we wanted to amend them. Rose, currently we have no NDA form on file as we procure services. Is that correct?

[00:14:38] Rose Woodworth

We don't have like a formal NDA that we use across the board. We did use an NDA with one of our vendors, but it was like, I don't know a better way to say it was human specific rather than like the full vendor specific.

[00:14:51] Michael Ham

Correct.

[00:14:52] Rose Woodworth

So one of the things that the Chair had wanted us to deal with was making sure that those things go across the entire vendor and not just one specific human from that vendor. Um, so I have an NDA that we use, and I could share it with Joe to double check that there's nothing else that we need to change. And it might because it was done by prior counsel. And then our thought was then to make it part of the Procurement Policy. That NDA, just like we have them deal with the Code of Ethics and the non collusion certificate had the NDA be part of the procurement policy. All that sounds good. And then the one other part when we were trying to go through and be mindful of making sure that we're dealing with section seven of this policy review of contracts for professional services valued over five thousand dollars per year. So we put in all contracts for professional services valued at five thousand per year shall at minimum be reviewed annually and B. Have a formal request for proposal advertised every three years. And so Mike and I were talking about it and our policy on page 1 says five thousand and above we would do, we would get three written quotations or written requests for proposal, either or. And then we kind of boxed ourselves in with just saying flat out five thousand and up, we have to do this RFP. And although I think RFPs are important, I think it's not really practical for a smaller amount, like five thousand dollars. And Mike and I had talked about moving that number to a larger number, maybe 10 or whatever you guys feel comfortable with because number one, the cost of doing an RFP is, I would say, it's five hundred dollars give or take to post in the daily freemen. Plus, it's going to be obviously a few thousand dollars for Joe and I to draft up and get out there. So it might cost, let's say, two or three thousand dollars to do an RFP for something that's only going to be a \$5000 contract that doesn't make sense number one. And then number two, the other part was the RFP's are very involved, right? It's not just send us your resume, it's send us a whole slew of things and it's not really worth it for somebody who's getting \$5000 to spend that much time responding to such a formal RFP. So we were thinking of maybe moving that to \$10000 and keeping like the five thousand and above as we had on page 1.

[00:17:41] Richard Jones

I'm OK with that. If that's... I agree with you. So many of the, we've done a few RFP's. Frequently, they do cost a wee bit to put together and then you don't, you don't get, you might get one response.

[00:17:56] Michael Ham

That's correct. And you know Rick, the majority of the IDA's, the threshold usually lands around ten thousand dollars. So if you if you check into that and you follow along. But getting back to what Rose was presenting, you know, she's correct. If it's fifty one hundred dollars, it triggers OK. And then at the end of the day, it becomes eighty four hundred dollars, OK? I mean, you know what I'm saying the additional thirty four hundred or twenty five hundred dollars to craft the RFP. So, you know...

[00:18:32] Richard Jones

The 10,000 recommend, let's recommend that out to the board.

[00:18:35] Michael Ham

Ok.

[00:18:36] Richard Jones

Great.

[00:18:36] Diane Eynon

Yeah, I think that makes a lot of sense. I do have one question we asked for verbal quotes. Why wouldn't we just ask for a written? I mean...

[00:18:48] Michael Ham

I thought it was, I thought it was both Rose. Or was it either or?

[00:18:51] Rose Woodworth

I'm sorry, where are you talking...

[00:18:53] Diane Eynon

Unless I'm looking at section three? It says estimated amount. It says two verbal quotations.

[00:18:58] Rose Woodworth

That's only, yeah, sorry. So that's only for the purchase for an estimated purchase contract. And so that that's only for things between five hundred and three thousand dollars. So like, if I'm calling somebody to ask what it would, what it would cost to print five hundred pieces of paper and it's going to cost five hundred dollars like we can just notate, that we asked them on the phone. We don't need to have like a written.

[00:19:25] Diane Eynon

Ok. Got it.

[00:19:25] Rose Woodworth

But anything, yeah certainly anything five thousand, ten thousand like absolutely we should have in our file that we have documentation from them.

[00:19:35] Michael Ham

I think also in here on section six, we did tighten up some of the language on the breach of contract.

[00:19:43] Rose Woodworth

Yes, we did do that already, yup.

[00:19:45] Michael Ham

Some of the wording was eliminated. It became a little redundant to the previous paragraph or sentence. So it just got cleaned up. It's pretty, its failure to perform conformity. Everything else is still in there. So I just want to bring that to the attention of the board. So if you have the original breach of contract clause in that, that it may not read exactly the same and that's only because some of the language was just tidied up. Ok?

[00:20:13] Diane Eynon

And so in section seven Michael, in section seven then, it says review of contracts for professional services valued at over five thousand per year at a minimum will be reviewed annually. You want to bump that up to 10 as well then, right?

[00:20:28] Michael Ham

That's correct. Right. That's the one.

[00:20:30] Rose Woodworth

That's a good question. Should they be all? Yeah, I guess it's up to you guys on that. I just was more, my concern was directly with the RFP process. But I mean, you could just change that whole section to ten thousand.

[00:20:43] Michael Ham

Yeah.

[00:20:44] Diane Eynon

I mean based on what Mike said about IDA's and most of our costs, it would seem to me that why would you want it, yeah.

[00:20:50] Richard Jones

Rose, raise it to ten as well. That's a good point. Rose, a little bit off, but what is our policy now on signing of checks? I know there's a breakpoint where you need two versus one, would you just...There's not one.

[00:21:07] Rose Woodworth

No, that's not true. So signing of checks, it's one person needs to sign, that's it. However, anything over twenty five hundred dollars has to be approved by the board to be spent. Anything under twenty five hundred Jimmy is allowed to tell me that I can spend.

[00:21:31] Richard Jones

Ok, but we would need board approval, that's fine.

[00:21:34] Rose Woodworth

Yep, and we did ask the auditors about that, and they didn't feel that it was necessary. I hate to say this is a terrible response, but banks don't always pay attention to it anyway when they're clearing checks and you can see, I know assistant or I don't know what your official title is, deputy, whatever. Alisha is agreeing with me on here from the comptroller's office. Unfortunately, banks don't pay attention to that. Not that that should be our end all, be all on how we choose to do things properly. But I think it's more important that we make sure that all the bills are signed off. One other thing that we did on all bills is and that was from realizing we needed to make the change was that I sign off on all the bills too. So like, if someone else in my office is physically writing the checks, I sign off on every single one and have my initials and the person who signs them signs off. If anything, is over twenty five hundred it has Jimmy's approval and Diane can attest to that because she asked to go to the EDC conference and I had to get Jimmy to say yes, she could to pay for it.

[00:22:42] Richard Jones

And yet there's another level of review quarterly when you send us the, the general ledger account. Diane looks at it and I know as I look at it also separately, like I've asked questions about many items so is...

[00:22:59] Rose Woodworth

And it's also on our website, Rick. Our entire general ledger is on the website. So there's nothing that anybody can't see.

[00:23:09] Michael Ham

Um, is everybody in agreeance on moving it from five to 10? Ok.

[00:23:16] Rose Woodworth

We need a formal motion for that as a recommendation, Joe?

[00:23:21] Michael Ham

Yeah, because we got to present it to the board. Correct, Joe?

[00:23:25] Rose Woodworth

Yes. So a formal motion. And so we'll have to get a resolution together.

[00:23:29] Richard Jones

At the, this revised procurement policy. I'll make a motion that we approve presenting it to the board on Wednesday, the 19th for approval or not.

[00:23:43] Diane Eynon

Second.

[00:23:43] Michael Ham

We have a motion. We have a second. All in favor?

[00:23:46] IDA Governance Committee Members

Aye.

[00:23:46] Michael Ham

Ok, let's move over to the compensation policy. That one should be pretty quick, I'm hoping.

[00:23:59] Rose Woodworth

Do you want?

[00:24:00] Michael Ham

Yeah, go ahead Rose.

[00:24:01] Rose Woodworth

Sorry. So the one thing, it's not on here. And so I just figured it's easy for me to tell you. We had talked about it in the audit committee meeting, and now we're going back to August. Try to remember that far back. But we had talked about changing the time and attendance policy because it says on here that it talks about time and attendance for attending meetings. But Diane and the rest of the committee had felt it's really important for board members to be attending those annual site visits as well. So they wanted to include something like that in here and ask that we move this policy to governance to make a change like that in a recommendation for the board.

[00:24:40] Michael Ham

Correct. And one other thing I'd like to add in speaking with the ABO. Did the ABO come back with a minimum attendance as far as meetings go?

[00:24:52] Rose Woodworth

No, it says that we have to have a policy.

[00:24:55] Michael Ham

Okay.

[00:24:56] Rose Woodworth

So we have the policy and we had a tent, we had edited our compensation policy to also include the time and attendance section as a previous adjustment, but then audit had asked that we amend this again because they really, really wanted to enforce how important they feel it is for board members to attend those annual site visits.

[00:25:17] Diane Eynon

Yeah Mike, one, couple of things. One, it helps the board to better understand our projects and build relationships with folks in our projects. So that helps over the years. And I think it just makes it a better decision making for the board as well when we do run against some challenges and also for the project. And there's a lot of value for Rose too. It's better to have, you know, another set of ears and eyes at these site visits and be able to ask different types of questions.

[00:25:47] Michael Ham

So I touched base with Rose really quick, and Rose's time is really boondoggled. It's really held down. I mean, we've got her irons in the fire everywhere. So I actually suggested to Rose, and I don't know if this is something that we want to do because Rose said she really, despite her time, she really enjoys being on these site visits. Along those lines, we've all sat in on the site visits and I got to tell you something. I was pleasantly surprised on how well they work, you know? And with that I said to Rose, maybe to help her out to lift some of the some of the burden on her. I was to the point where if she has a generic sheet that we pretty much ask on the annual site visits, I think that we actually could perform those on our own if Rose's has some other kind of meeting going on. I mean, does anybody have a problem with that?

[00:26:45] Diane Eynon

I think my...

[00:26:49] Michael Ham

Rose is great to have there because of the financial end of it, you know what I mean? And something along those lines but I mean, right now I mean, you know, we know the pilot associated with the project and we know what their terms are and we know what they're up against. But I'm just throwing it out there for days that, you know.

[00:27:09] Diane Eynon

Yeah, I think my initial response would be, you know, Rose has the primary relationship with our projects, right? And so I know I've sat in a couple already this year, and it's great to have Rose there because she has, she works with them all the time. She's in contact with all the time, and she has better context, frankly, than I do. So I mean, I know Rose is slammed. We have her going in four million directions, but I do think it's really important and I think it helps the client also be more at ease. And they have an existing relationship because some folks frankly, I know Rose also has a really difficult time getting people to schedule and actually show up for meetings. And then the other thing I would suggest is I just think it's really important that one person certainly can do it for efficiency and get the job done, for sure. But I do think there's something about having another person in there that can ask different questions and perspectives that I think is tremendously value and saves us and frankly Rose a lot more time in the long run. So I recognized Rose is going in all these different directions, but I don't, I think there would be something lost, really Mike in not having her in the process.

[00:28:23] Michael Ham

No, I'm not disagreeing. I'm just looking at her, you know, her scheduling and her schedule too.

[00:28:30] Diane Eynon

Yep.

[00:28:30] Michael Ham

And that's what I, and I wasn't suggesting like just Rick goes on or just you, you know, I still believe, you know, even the world I work in, it's always nice to go with an extra, an extra perspective, you know? But...

[00:28:43] Richard Jones

I agree with everything that Diane just said.

[00:28:46] Diane Eynon

Which is why we want more board members to actually have to commit to help Rose out. So it does help lift that weight a little bit, even though she still has to dedicate her hour of time and scheduling, which probably takes five hours to get a meeting on everyone's calendar.

[00:29:03] Rose Woodworth

It's particularly bad this year, and I think, I definitely understand where Mike is coming from. It is a catch twenty two for me because I do enjoy doing it. It is nice to see the progress from year to year. I do think Diane's right there was, it was a little bit difficult my first year because the people didn't have the continuity from, you know, everyone's going, Where is Suzanne or what's going on? Why? Why is this different? But at the same time, we've got to figure something better out for next year. Part of it was our fault because I was sick that last week I was sick for like the entire month of December. But I was sick that last week of November, so I didn't get to make the calls the week I had expected, and it was a week later. But honestly, this is particularly bad this year, with people not responding. People saying they're not available. People no call, no showing. I mean, I, we have never wasted this much time with the scheduling. It's very frustrating.

[00:30:03] Richard Jones

So let's not change anything because we have an exception. I like the fact that Rose is there. We need to get all the board members involved in. Rose, my only suggestion I agree with the crunch time. We usually do this at the end of the year and it's moved into the...we could start this certainly in October, November. There's no reason why we can't do that. So...

[00:30:22] Rose Woodworth

Yeah, we could. It's just something we've typically done in December. And this year it just got. It got started one week later, which has caused an issue.

[00:30:28] Richard Jones

Again, let's not change it because we've had so many problems this year. It's, it's the environment. We've had people out sick so...

[00:30:37] Rose Woodworth

Yeah, do we? So what exactly, Diane, did you have something in mind exactly for the wording here on time and attendance? Because it was, we're specific to say board members are encouraged to attend all meetings, but more than five absences per year, may be reported to the IDA's oversight entity, the ABO, at the board's, at the Chair's discretion. Did we want to just make a separate statement that we encourage them to attend site visits?

[00:31:13] Diane Eynon

I would. I would. We continue to encourage folks. So I would say that what we really want to do is to also put that each board member is required to participate in two site visits. Keep it simple.

[00:31:31] Michael Ham

I don't think that's asking a lot.

[00:31:33] Diane Eynon

And it's not asking a lot between all of us and the number of projects.

[00:31:36] Rose Woodworth

And so we, we I'm sorry, what was the verb in that?

[00:31:40] Diane Eynon

Responsible. Are responsible for attending to...

[00:31:44] Rose Woodworth

Ok, say it that, OK, got it. Sorry. Thank you.

[00:31:49] Diane Eynon

A minimum of just say, at least, at least two. Kind of give people a minimum, they tend to go to the minimum, so...

[00:31:59] Rose Woodworth

Ok. Got it. Thank you.

[00:32:01] Diane Eynon

Mm hmm.

[00:32:02] Michael Ham

We need a motion to accept the changes to the compensation policy.

[00:32:08] Richard Jones

Make a motion.

[00:32:10] Michael Ham

Second?

[00:32:11] Diane Eynon

Second.

[00:32:11] Joe Scott

I've got, I've got one comment. Sorry.

[00:32:14] Michael Ham

I apologize Joe, question?

[00:32:15] Joe Scott

And I think it's nominal. Could we change it to compensation and attendance policy?

[00:32:23] Diane Eynon

Oh yeah.

[00:32:24] Joe Scott

Yep. Thank you. Because that will help me find it.

[00:32:27] Michael Ham

Yeah.

[00:32:28] Rose Woodworth

Ditto Joe.

[00:32:29] Richard Jones

When and if I'm asked to look at this. Thank you, chair.

[00:32:36] Michael Ham

Ok, so we had a motion by Rick, a second by Diane, all in favor?

[00:32:41] IDA Governance Committee Members

Aye.

[00:32:42] Michael Ham

Ok. Moving along next on the agenda is the local construction labor policy. So on the labor policy, we've already talked about this months ago as per the UTEP right now, the language doesn't represent what's in our UTEP, ok? We changed the language in the UTEP to point back that. We removed three points for the local labor at seventy five percent. Seventy five percent to one percent. Or one point, I apologize, to one point. You will receive, applicants receiving UCIDA benefits that utilize at least seventy five percent of local labor of their approved projects will receive one point on the UCIDA UTEP matrix. Ok. We also change, so I can bring you down to paragraph three in the local construction labor policy. So that has to be changed in that paragraph to one. And then paragraph five, okay, also has to be changed to one point. Also, we've added...I apologize, I hit my computer here.

[00:34:05] Rose Woodworth

I'm sorry paragraph?

[00:34:07] Michael Ham

Paragraph three, paragraph five.

[00:34:08] Rose Woodworth

I got it. Ok, thank you.

[00:34:10] Michael Ham

Ok. Also, we've changed the but we should report on that with the UTEP right now, but anyone using prevailing wage on any project will receive three points. Ok. That's going to be, that's already laid out I believe in the, in the UTEP.

[00:34:30] Rose Woodworth

A portion at two points and a portion at three points. It depends on the percentage. Off the top of my head.

[00:34:36] Michael Ham

That's what it was. There was a percentage in there and I'm trying to find my...

[00:34:40] Rose Woodworth

Sorry it's on the last page of the packet Mike there is a copy of the Matrix. So 50 percent of the construction workforce is paid prevailing wage is two points. Seventy five percent is three point.

[00:34:52] Richard Jones

And to be clear, this has already been approved as part of the UTEP with the syncing up the verbiage on this policy. So we're not...

[00:35:00] Michael Ham

That's correct. Language change, it's just language cleanups. Ok?

[00:35:02] Richard Jones

We did that change in the UTEP a year and a half ago.

[00:35:05] Michael Ham

We pushed this over to audit and audit we, it came back to I don't even think it got to audit because we didn't get through governance on it with it. And we want to get it over to Diane's committee to have this all taken care of. But I had some, I had some other thoughts in here okay, and I touched base with Rose on something last night, just so everybody knows. On page two of that report of the policy paragraph three in there the general liability insurance and proof of current OSHA training. Ok, occupational safety hazard, OK. The training certificates for all contractors and employees. I checked with Rose to check with Loewke Brill to see if we're actually checking for the proof of OSHA cards from employees that are working on the site because now this becomes a safety issue more than anything. And if we're partnering with somebody on a project, safety is one of our biggest concerns all the time for workers. So I think that needs to really be followed up with and follow through with.

[00:36:08] Rose Woodworth

Did you saw my response, right? They are checking.

[00:36:11] Michael Ham

You. They...

[00:36:12] Diane Eynon

They are checking?

[00:36:13] Michael Ham

They checked one job.

[00:36:15] Rose Woodworth

Well, because they're only, they've only done two jobs for us so far. So what they're checking, I'll tell you the response, ok? Yes, we do. Baxter actually had copies on file with proof of residency at Inness, because that's the only one that Loewke Brill has so far checked everything for. Loewke Brill was then just hired to check insurance at RBW because they didn't have the local labor policy. So he said not doing it with RBW as its insurance only. But if you'd like for us to ask, we certainly can.

[00:36:46] Richard Jones

Ask for everybody.

[00:36:47] Rose Woodworth

Yeah.

[00:36:48] Diane Eynon

Yeah. So this is also timely because we're also wanting to change...

[00:36:52] Rose Woodworth

Well we did change the contract already.

[00:36:55] Diane Eynon

The contract, right. So...

[00:36:56] Rose Woodworth

So I mean, it's right in line. I just sent them over the information on the projects that closed at the end of the year. So this is perfect for them to start and do all of this going forward.

[00:37:06] Diane Eynon

Right. And then they can start reporting back to us on a monthly basis or a regular basis on all of these things instead of just the...

[00:37:14] Michael Ham

Well, you know once, once they, once they provide proof of OSHA training, I mean, that's good for the entire job. You know, the thing about OSHA training is and Loewke Brill should be pretty up to speed on this is that a new ruling with OSHA has it where the card has to be updated every five years, so they have to be within that time period. They may have a card that's 10 years old. That's not, that's not allowable on a project right now. You need more recent training and they put it now at a span of five years. Ok? So that's something that we should throw in their wheelhouse for safety reasons alone. I also had something else that I was dabbling around with, ok? I thought about adding something into the UTEP, and I don't want to overstep because I know we were working together with the community benefits points which we haven't, you know, we've got in there, but we've got something open for that. So on a community investment. Ok? I was thinking about education and training, OK? And that would fall underneath three points for any contractor or subcontractor, providing work on a project that's incentivized by the IDA to have, to be enrolled in an active and approved New York state apprenticeship program. That's a biggie, you know, and you're not, you know, if you were to require that, you probably wouldn't get the majority of contractors to do one job, OK? Because they don't they're not enrolled or they don't have a program. But I thought underneath community investment, maybe underneath educational, we could include that as three points.

[00:38:53] Richard Jones

So, that becomes Mike not a requirement. It becomes a way of earning points on the community investment.

[00:38:59] Michael Ham

That is correct, Rick. That's correct.

[00:39:02] Richard Jones

So we have three levels of points that we give out for construction labor. One is, I'll call it, excuse me, maybe using the wrong term. So I'll call it non-union and then union at 50 percent and then union at 75 percent. On the non-union...

[00:39:20] Michael Ham

I don't like to...let's not use union, non-union. Please.

[00:39:23] Richard Jones

Yeah, give me the, give me the right term.

[00:39:26] Rose Woodworth

Prevailing wage and non prevailing wage.

[00:39:29] Richard Jones

So in the case of the first one, non prevailing wage, were they only get whatever they get, one point.

[00:39:37] Rose Woodworth

Local labor, yep.

[00:39:39] Richard Jones

Local labor, they wouldn't be. They wouldn't be enrolled. And we're not requiring them to be enrolled. And those situations where the contractor is enrolled and they can use that in order to gain points on the community investment portion of the UTEP temperature.

[00:39:59] Michael Ham

Yes.

[00:40:03] Richard Jones

Ok, as long as it's optional as, hey, you can, if you did it.

[00:40:06] Michael Ham

Yeah, you can't, I don't think you can require it. I think the other thing is and maybe Joe can touch base and elaborate on this, but the public works bill on certain projects is going to require it. Ok, so you know, that'll fall...

[00:40:23] Richard Jones

That's yeah, that's separate for the community investment category. And most of that, it's a little bit, a little bit odd, but most of the community investment category involves the purchasing of materials and services from locals.

[00:40:40] Richard Jones

Right.

[00:40:41] Richard Jones

So. I'd have to I want to think a little bit about...

[00:40:44] Michael Ham

Yeah, sure. This is something that's getting spit balled out, OK?

[00:40:48] Richard Jones

Is the consistent? Is that consistent? Is it additional community investment? And should it be in that category? I'm not sure. I mean, new to it.

[00:40:57] Michael Ham

Sure. I mean, and it could be, you know, like I said, it's it's something to take a good look at. A hard look at, the apprenticeship language and apprenticeship programs, you know, because with skyrocketing numbers at colleges and stuff, there's a lot of people that are not going on to further their education, but they're going into a trade program somewhere along the line, you know, so or they're hooking or hip to be trained in a certain area.

[00:41:24] Michael Ham

So it's something to consider. One other thing I had to throw out here, and this is a contentious thing and not for me personally, but I always look at it because I see a lot of, I see a lot of injuries or I, I live by my I live my entire job by this. But I require that all workers pass a drug screen, prior to working on any projects that I'm affiliated with. And something here is that if we're incentivizing projects OK, I believe that there should be some kind of drug screen in effect or in place for all people that are working on incentivized projects through the IDA. And that's a that's a big, big safety thing. You know, it's a big safety thing and it's just something that you know, I believe in. But you know, maybe, maybe the board feels differently about it. So...

[00:42:20] Diane Eynon

So Mike, they're not required just through other entities to do that on a random basis of their employees on certain types of construction projects or high risk projects, I mean, that's just, that just is a company policy, whether they choose to do that or not.

[00:42:38] Michael Ham

That is a company policy.

[00:42:40] Diane Eynon

Okay.

[00:42:42] Richard Jones

And again, Mike, we might be tiptoeing and overstepping our bounds a little bit, I think it's, I think it's a good idea.

[00:42:49] Michael Ham

Putting it out there, Rick.

[00:42:50] Diane Eynon

I also wonder if it opens us to liability if we're saying they require it and we didn't. I don't know.

[00:42:57] Michael Ham

Well, the responsibility and liability would form on the, fall on the contractor.

[00:43:01] Diane Eynon

But if we knew that they did or didn't or we didn't really track whether they did, I mean, would we then be...

[00:43:06] Michael Ham

That would be something that Loewke Brill would have to do up to a point, you know what I mean? It's...

[00:43:12] Richard Jones

You know, it's kind of like, again, I'm going to think about it, but it's sort of like, you know, from time to time, we've heard rumors of projects not paying their people appropriately, even though, you know, so how far do we go with that? It lops into other law labor law, good practices by a corporation to avoid liability. So I just want to be cautious. And then question is how how do you check this stuff? Anybody could say, Yeah, we're doing it. I'm a little concerned about the level of checking and rechecking.

[00:43:53] Michael Ham

You know Rick, I ere on the side of safety on everything that I do. Ok, you know, with our people or anybody else that I come across, you know, and I just once again, this is another thing that I'm spitballing out there because we are, we are a partner in these projects. You know, it's not like it's just the contractor. At the end of the day, we have a say in these projects.

[00:44:21] Richard Jones

I'd like to hear Joe's legal opinion.

[00:44:24] Michael Ham

Joe, how about a, how about an opinion from counsel a little bit or input? How's that?

[00:44:31] Joe Scott

Well, you know, candidly, we're getting involved in a number of areas here, right, Rick and Diane. So I'm not sure if there's a significant difference. I can talk to one of my litigation lawyers who would be better, better, you know, better versed on this issue. So why don't I do that and then report back?

[00:44:54] Michael Ham

That sounds good. Ok. All right, so we've got, we got to fall back to. Well, I'll tell you what. The policy as is right, will stand. Ok, we'll change the numbers on the UTEP in the language for right now. Ok? We'll circle back around with any amended parts of the policy or anything we want to add. And we could do that at. At our leisure correct Joe?

[00:45:29] Joe Scott

Yes, and Mike, I do have a question. What was the term that you used for that safety training? Is there a term of art there?

[00:45:41] Michael Ham

Um, the OSHA Joe? Which one are you talking about? Are you talking about the community benefit, the three point thing?

[00:45:48] Joe Scott

Yeah, the three point thing.

[00:45:49] Michael Ham

I was looking at it as an educational training. OK?

[00:45:54] Joe Scott

Ok.

[00:45:55] Michael Ham

Apprenticeship program.

[00:45:57] Richard Jones

Apprenticeship. Didn't you say apprenticeship Mike?

[00:45:58] Michael Ham

Yeah. Apprenticeship program.

[00:45:59] Joe Scott

No, I must have misunderstood you. I thought, the issue that we're talk that you wanted me or that I want to review with one of my litigation lawyers.

[00:46:08] Michael Ham

Oh, that one was the drug screen.

[00:46:10] Joe Scott

The drug screen. Yeah.

[00:46:13] Richard Jones

So Chair, I'll make a motion that we report out to the full board recommending changes to the verbiage of the local construction labor law to make it consistent with the existing UTEP.

[00:46:24] Michael Ham

We have a motion.

[00:46:24] Diane Eynon

Second.

[00:46:24] Michael Ham

Second by Diane, all in favor?

[00:46:29] IDA Governance Committee Members

Aye.

[00:46:30] Michael Ham

Ok.

[00:46:31] Rose Woodworth

Chair, I don't want to cut you off, but it's 11 since we had the technical difficulties earlier. It's 11 50 and we have to save time for the CRC, unfortunately.

[00:46:41] Michael Ham

Ok.

[00:46:42] Rose Woodworth

Am I right, Diane, you have a hard stop at 12?

[00:46:44] Diane Eynon

I do.

[00:46:45] Rose Woodworth

Yeah.

[00:46:48] Michael Ham

Okay. So do we want to table, the remaining two out until our next scheduled meeting?

[00:46:55] Richard Jones

I'll make a motion that we table the others and get to the CRC.

[00:46:59] Diane Eynon

Second.

[00:47:00] Michael Ham

All in favor?

[00:47:02] IDA Governance Committee Members

Aye.

[00:47:04] Michael Ham

Ok, Rose. Order for, a motion for adjournment from the IDA, oh, wait a minute.

[00:47:11] Rose Woodworth

There was the new business, but we can we can table that too. That's OK. I understand the issue.

[00:47:18] Michael Ham

New business tabled, correct?

[00:47:20] Diane Eynon

Yeah.

[00:47:21] Michael Ham

Ok, and Motion for adjournment.

[00:47:28] Richard Jones

So moved.

[00:47:31] Diane Eynon

Second.

[00:47:31] Michael Ham

All in favor?

[00:47:33] IDA Governance Committee Members

Aye.

END OF TRANSCRIPT



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