

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AUDIT COMMITTEE MINUTES

February 14, 2019

Orange County Business Accelerator in New Windsor, New York.  
12:00pm- 1:00pm

PRESENT: Mary Ellen Rogulski, Michael Gaydos, John Steinberg arrived late

ALSO PRESENT: Laurie Villasuso - Chief Operating Office, Vincent Cozzolino, Melanie Schouten,  
Kelly Reilly, Kevin Dowd- Attorney, Kevin Loewke, Marc Devitt

Labor Policy

Ms. Villasuso started the meeting off by asking Ms. Reilly or Mr. Loewke if there are any waivers for the IDA projects that are being audited. Ms. Reilly stated that there are two exemptions for Dana Distributors. One for Overhead Doors and the second for the Refrigeration System, Loewke Brill recommends we approve both of the exemptions under Specialty Construction. Mr. Gaydos stated that he would not vote to approve Overhead Door. Ms. Rogulski asked why it is specialty construction and Ms. Rogulski wanted Loewke to explain. Mr. Loewke stated that the doors are speed doors this company had installed the previous doors and they wanted them to work in unison together. Mr. Loewke stated that this is a local company, but the local company doesn't do speed, they come from Glen Falls NY. Mr. Cozzolino suggested that Mr. Gaydos speak to the unions and ask what it would take to get someone local certified to install these types of doors. Ms. Villasuso stated that if this is a warranty issue and they need people certified, Ms. Villasuso suggested that maybe the unions should look into having someone certified. Mr. Gaydos stated that with the warranties, as long as someone is there from the company, they can hire local people and it would not affect the warranty. Mr. Cozzolino requested that we take this as an action item. Ms. Villasuso stated that Mr. Dana is very aware of local labor and is working very hard to be compliant. After a bit of discussion, it was determined that the vote was to deny the waiver with both Mr. Gaydos and Ms. Rogulski vote No.

Ms. Reilly brought up the second waiver request for the Refrigeration System. The board approved this waiver.

Mr. Steinberg entered the room.

Ms. Villasuso asked if there were any price differential quotes for the Overhead Doors. Mr. Loewke stated yes and read the 2 companies that came in with the prices. The quotes that came in were more expensive. Mr. Dowd stated that this waiver came in late and after the job was started. Ms. Rogulski stated that the price point was not discussed prior to now, and with this cost differential Ms. Rogulski stated that it would change her vote. Ms. Rogulski suggested that all paperwork should be brought up when requesting a waiver. Ms. Villasuso asked Mr. Loewke how this waiver was presented. Mr. Loewke stated that at first it was cost differential and then they said it was specialty construction. Mr. Steinberg asked if there is a sensitivity that they did what they were supposed to do, they administratively did it incorrectly? The board discussed this waiver and the waiver was approved by a vote of 2-1 with Ms. Rogulski and Mr. Steinberg voting Yes and Mr. Gaydos voting No.

Mr. Marc Devitt from MedParc entered the room. Ms. Villasuso stated that they will discuss the waiver that was denied to Header Construction due to the fact that they did not use employees that were local labor. There was a discussion last month about a fee or to bring Header Construction up to 85% local labor. Mr. Devitt thanked the board for the opportunity to speak. Mr. Devitt spoke about the waiver and not following the proper process. Mr. Devitt stated that Header Construction was 25% less cost and he would like to try and use Header Construction to bring up the local labor to 85%. Mr. Devitt stated that he is not sure they can but would like the opportunity to try. Mr. Gaydos asked how far along is the project and Mr. Devitt stated they have about 4 months to go and have steel work and other items that still need to be

completed. Mr. Devitt stated that the rest of the project is local labor and he is proud of it. Mr. Devitt stated he wants to try and do what he can to make this local labor right. Mr. Dowd asked how much of the STE has been used and Mr. Devitt responded back with about 85k has been used. Mr. Devitt stated that he feels there is an opportunity to get Header

Construction numbers up. The Audit Committee board all agreed to give Mr. Devitt the opportunity to try and get the Header Construction local labor up. Ms. Rogulski asked if there was a timeline on the completion of the project, Ms. Villasuso stated that Mr. Devitt can send the progress numbers to Ms. Reilly and Mr. Loewke monthly. Mr. Loewke stated he will update the numbers monthly on the status reports. Ms. Villasuso thanked Mr. Devitt for his time, Mr. Devitt left the room.

Ms. Villasuso stated that she likes the way Loewke Brill creates their status reports and stated that all other contractors that Med Pac is using is at 100% except for one at 99.9%.

Ms. Villasuso asked a question about the status report for Dana the Loewke Brill generates. Ms. Villasuso asked about Sullivan Fire, which is in red (violation to labor policy, Mr. Loewke responded back stating that it is in red now, but the contractor will be back on the job site and feel confident that he will meet the 85% local labor.

Mr. Steinberg asked about Accelerator numbers and Mr. Cozzolino stated that the numbers are shown at The Accelerator Committee meeting and there was not an Accelerator Committee meeting this month. Mr. Steinberg suggested to show the numbers at the Audit Committee meetings and Mr. Cozzolino stated yes, we can bring it in the Audit Committee and Mr. Steinberg stated that he wants that.

Ms. Rogulski stated that the local labor should be a percentage of total. Ms., Roigulski stated that we have to have rules established and we have to follow our rules. Ms. Villasuso stated that Loewke Brill should be a part of reviewing the local labor rules and give us feedback. Ms. Villasuso stated that this will be an action item for next quarter. Mr. Cozzolino stated there are only three ways to do this local labor policy 1. 100% local labor, 2. by trade, 3. by project. Ms. Villasuso said that we will need to add what the ramification will be. Ms. Villasuso stated that the board will meet and then hear from outside sources. Ms. Villasuso stated that she would like to take the different versions of the labor policy and not grant grandfathers rights. Ms. Villasuso stated that she will need Mr. Dowd to look into this to see if it could be done. Mr. Cozzolino stated that any new projects that come in we need the labor policy stated that it is under revision

Audit Committee Meeting ended.