

GOVERNANCE COMMITTEE MINUTES

May 14, 2020

Via Zoom / Conference CALL
1:00pm – 1:20pm

PRESENT: Edward Diana, James DiSalvo, Michael Gaydos

ALSO PRESENT: Laurie Villasuso – Chief Executive Officer
Kevin Dowd – IDA Attorney
Vincent Cozzolino – Managing Director
Melanie Schouten – Chief Operating Officer

Orange County Industrial Development Agency

Corporate Mission and Goals

Ms. Villasuso started the meeting going over the agenda. She said that in the packets there is a 2020 Corporate Mission and Goals report which is an audit document as well as a living document that is worked with throughout the year. She said that in the April Governance Committee Meeting there was a discussion about retention and creation figures and adjusting them to reflect the COVID crisis. She said that usually we create more than we retain, but this year due to the crisis we will retain 200 jobs and create 150 jobs. Ms. Villasuso stated that a lot of the report is updates to where we are now.

Motion to approve the 2020 Corporate Mission and Goals made by Mr. Diana, seconded by Mr. DiSalvo, Motion carries with all in favor.

Lease for 334 Avenue of the Americas

Ms. Villasuso stated that this was an addition to the agenda. She stated the lease for one of the buildings at 334 Avenue of the America's expired in May 31, 2020. Mr. Dowd heard back for the Town of New Windsor that they will extend our lease an additional 2 years which will bring it to May 31, 2022 with a 2% increase. She stated that the rent is now \$1,248.48 and if the Committee approves and executes the lease, we will be able to maintain our operation there. Mr. Dowd stated that the rent would increase 2% or CPI which ever one is greater each year for the 2 years.

Motion to approve the 2-year Lease for 334 Avenue of the Americas made by Mr. Diana, seconded by Mr. DiSalvo, Motion carries with all in favor.

2020 IDA Policies

Ms. Villasuso stated that in addition to the packet there was also a list of policies. She said some of them existed, some didn't, some needed to be updated and some needed to be added. She said that Mr. Dowd will walk the Committee through the policies and if the Committee approves the policies, we can adopt them in the IDA Meeting and post them to the website. Mr. Dowd stated that Ms. Schouten and I did an extensive review of the policies that were on the books to see if they were in compliance or needed to be updated.

1. Audit Services Policy – this policy has not changed. This policy allows us to keep the same auditors but the partner that is in charge of our account must change every 5 years. For the last 5 years we have had Rob Unger and it will change to RJ Martucci starting 2020 if the Committee approves to keep JGS.
2. Certificate of Independence Members – this is an existing policy and we are required to have it by the ABO. Mr. Dowd only made minor changes, he put the proper sections of the law and made sure that it read correctly.
3. Compensation Reimbursement and Attendance Policy – this policy had only a minor change in the last paragraph Board Membership and Attendance. The current policy states that Board Members are to make all

meetings, but if a Member has more than 5 absences per year it would have to be reported to the ABO that a Member is not attending meetings.

4. Defense and Indemnification – this policy had no changes.
5. Disposition of Property Policy – this policy needed a major re-writing pursuant to the 4 sections of the state law on how IDA and Agencies have to dispose of their property. Mr. Dowd stated that after the re-writing it now follows the statute.
6. Freedom of Information Law Policy – we did not have this policy; we always followed the FOIL Law. This is a new policy but mirrors the statute itself and states who is responsible for what in the IDA and it is fully compliant with the NYS Law.
7. Investment and Deposit Policy - Mr. Kleiman reviews this policy every year. Mr. Kleiman made one minor change which was Schedule of Eligible Securities, number 8 Obligations of domestic corporation rated one of the four.
8. Procurement Policy - Mr. Dowd reviews this policy every year to make sure that it is in compliance with the General Municipal Law, which it is, the only minor change is, the officer responsible was changed from Managing Director to Chief Financial Officer.
9. Travel Policy – this policy had some minor changes and changes to the verbiage to make it clearer on what can be reimbursed and how to apply for reimbursement.
10. Whistleblower Policy – this policy was a major re-write. Mr. Dowd stated that he went to the ABO Guidance Policy and Procedures and extracted from that, this policy mirrors and follows the ABO Guidance Policy.

Motion to recommend approval of the 2020 IDA Policies to IDA full board made by Mr. Gaydos, seconded by Mr. DiSalvo, Motion carries with all in favor.

Orange County Funding Corporation

Village of Highland Falls – Projects Expenditure Extension

Ms. Villasuso stated that the Village of Highland Falls reached out to the OCFC asking for an extension of their Project Expenditure until 12/31/20 due to COVID. She stated that this is already in our budget but taking a little longer to use it. Mr. Dowd stated that it is to do the outside of the buildings in downtown Highland Falls and that it basically pays the Engineering fees due to the Village of Highland Falls needing a match for the grant they got.

Motion to recommend approval of the extension request of Highland Falls to expend money by December 31, 2020 to IDA full board made by Mr. Gaydos, seconded by Mr. Diana, Mr. DiSalvo abstained. Motion carries with all in favor.

Heritage Trail

Mr. Dowd brought to the Committee's attention that the agreement with the County for the \$1 million for the Heritage Trail has still not been signed by the County. He stated that after the Board approved the resolution, he sent the agreement to the County. The County's attorney called Mr. Dowd concerned about some language in one of the paragraphs, he told the County's attorney to rephrase it, resend it, and that he would review it and discuss it with his client. About 3 weeks ago Ms. Villasuso asked Mr. Dowd to check with the County on the agreement, both parties agreed on the language. During the discussion on the language, the County revealed some grant money, they have a \$500,000.00 from State Parks Department that was not part of their application to be used to diminish the cost of the project. Mr. Dowd stated that between the grants and the money from the OCFC this extension will cost the County approximately \$160,000.00. Ms. Villasuso stated that in the agreement we will not issue the check to the County and that we write the checks to their vendors while the work is being done. Mr. Dowd stated that he wanted the Committee to know what was going on, the agreement still has not come back and also the grant that was not revealed.

Governance Committee Meeting ended at 1:20pm.