

January 27, 2009

Minutes of the Newburgh Industrial Development Agency

1. Roll Call: The meeting was called to order at 7:10 PM. All members of the IDA were present; Also present were Ian McDougal and Geoffrey Chanin.
2. Access of Records: Chanin initiated the discussion re: Board Members access to IDA records stating that:
 - a. All cities require that certain rules and regulations be put in place to access public records, and that municipalities must have in place adequate document management systems
 - b. He asserted that one of the obligations of City Staff is to keep track of public records and for that reason, records are not allowed to leave the site/possession of city employees
 - c. He asserted the need to balance "Access" with what he deemed were Staff record management responsibilities and compliance needs in order to protect records; he stated that there were two types of public records: Records that were public and records that were not publicly disclosed and argued that some of the City's records have "proprietary" information which excluded them from public disclosure under certain circumstances
 - d. He asserted the need to provide the Board access to information in a controlled and orderly fashion
 - e. During Discussion:
 - i. Smith intervened by declaring the urgency of separating the City's records from those of the IDA, which IDA Board members were advised had been intermingled; he also questioned why IDA Board Members were being asked to sign a confidentiality agreement to access its own records, when other boards did not require such sworn statements;
 - ii. Curry once again asked for access to the IDA's financial records, without which he could not perform his responsibilities as Treasurer of the IDA
 - iii. Chanin clarified that the proposed confidentiality agreement was drafted to address staff concern regarding the removal and photocopy of records; he also stated that IDA financial records were not confidential and that there was no need to sign a confidentiality agreement to obtain access to those records; he also stated that the proposed confidentiality agreement reflected just one recommended approach for creating a procedure and process for obtaining records, and that the IDA needed to create its own internal processes and procedures;
 - iv. Smith reiterated that all IDA records needed to be separated from the city's own records at the city's expense; and that it was not the IDA's responsibility to disentangle the files, but that the Board (or individual members) may want to be present when files are segregated

- v. Maldonado argued that he found it strange that the IDA should need to sign a confidentiality agreement to access its own records and asked if city staff or other board members were asked to sign similar agreements to access records; Chanin responded that although it was not common practice, in some limited cases individuals had been asked to sign confidentiality agreements;
 - vi. Discussion on records was briefly tabled so that Ian McDougal could make his brief presentation on the status of the DuPont Property and surrounding land
- 3. Ian provided an update on the DuPont, City and IDA titled site, including the following:
 - a. He advised the Board that he was approached by a member of the Council regarding the status of the DuPont state and that he had informed Council of the IDA's interest in the site and that a joint discussion between Council and the IDA was forthcoming
 - b. Ian advised the Board that he was preparing a more in depth briefing memo for our meeting with Council which would include:
 - i. Background information on the site
 - ii. Remedial history and efforts to date
 - iii. Discussion on strategies for dealing with this site in a more holistic way
 - 1. Maldonado asked that he include more detailed information regarding costs and benefits of various development options
 - iv. The Board was advised that a tentative meeting was scheduled with Council for February 19th to discuss the entire property site; Ian then excused himself from the meeting and discussion resumed regarding IDA Board Members access to its public records
- 4. Continued Discussion of IDA Records:
 - a. Ms. Zapata advised Board members that Stuart Glenn- the IDA's previous Counsel, had not yet turned over the IDA's legal files to the city; that he had 6 cabinet files full of documentation; and that his office would, after the handover, like to have access to the file upon request; Lourdes said that that city had agreed to look for a safe place to store these records so that they could be moved
 - b. IDA Board members were advised by Ms. Zapata that the only files that were not co-mingled were the agency's financial records; she presented a memo to the Board dated January 26 outlining a proposed a process by which the IDA Board Members could obtain access to its files, which included a written request submission 5 days in advance of the requested documents.
 - c. Mr. Curry argued that this "lead time" was excessive and overly burdensome; Mr. Penny commented that the IDA needed immediate access to its records whenever they were requested.

- d. Mr. Maldonado agreed that the Board should ultimately have access to its records on demand whenever it wanted to. He suggested an "interim" solution, whereby Board Members would provide information requests to the Administration and would expect to receive all requested information within 48 hours or sooner. He proposed that such a solution should be short term and of fixed duration, only until the City completely separated all of its files from those of the IDA, which should be done within a fixed time frame, no longer than 30-60 days maximum. Rather than signing a confidentiality agreement, Mr. Maldonado argued that the IDA could create a simple "Log" where members could "Sign Out" any documents they requested; this Log could serve as the IDA's internal document control system.
5. The minutes of the previous meeting were approved with slight modifications, including a date change to reflect the correct date of the meeting.
 6. Treasurer Report: Curry concluded that he was still unable to brief the Board on its current financial status since he had not yet been granted access to the Agency's financial records; he advised the Board of a pending meeting between himself, Lourdes and the IDA's bookkeeper
 - Mr. Curry also indicated the need to establish a clear process for signing and arranging payment for the IDA's vouchers and related expenses; Ms. Perez suggested that the IDA Administrator serve as the initial person for review and signature of vouchers.
 - After some discussion, Mr. Maldonado made a motion that the IDA's Administrator shall be an initial signatory on all IDA Vouchers, which should then be submitted to the Treasurer for a secondary review and signature.
 - Mr. Curry however, questioned what role the City Comptroller plays in signing off on IDA related vouchers. As a result, the decision was made to table the motion creating any process for signing off on IDA vouchers until the IDA received clarity on the potential role of the City Comptroller in reviewing IDA vouchers;
 - Ms. Perez informed the group that the Comptroller acts as the interim CFO for the IDA
 - Status of 2007/2008 Audits: Nugent and Haeussler were currently working on the IDA's 2007 audit; Ms. Zapata informed the Board that the 2008 RFP was re-released but that no additional responses were received
 - Mr. Maldonado questioned on what authority Mr. McKenna had selected Nugent and Haeussler and entered into agreement with them in December 2008 for the 2007 audit and issued them payment without the express consent of the new IDA Board. A motion was made by Curry that the Board honor its agreement with Nugent for completion of the 2007 audit as signed by Mr. McKenna in December 2008. The motion was seconded by Sean Oshe and adopted unanimously.

- The Board agreed to review and discuss the selection of an auditor for its 2008 audit at its next meeting on February 17, 2009
7. Reports of Committee: No new updates were reported by either the Governance or Finance Committee
 8. Scope of Services: City of Newburgh and IDA : Ms. Perez advised that Board that she was working on revised the scope of services agreement and would share with us a draft as it progresses
 9. Real Estate:
 - a. Current Ownership and Prior Sales: 2003-05 – Ms. Perez had not yet completed this list for the IDA and assured the Board that she would provide it as soon as possible
 - b. 150 Ann Street: Ms. Perez presented the Board with a brief memo and revised valuation for the 150 Ann Street Parcel, which the memo now valued at \$5,000. Ms. Perez advised the Board that Polonia had recently express interest once again in acquiring that property.
 - c. Carchietta Site: Ms. Perez provided the Board with a copy of the complaint in which the Board was cited as an interested party for our initial review
 - d. The Foundry: Ms. Perez advised the Board that the IDA holds an interest in the development of the Foundry and that its current developer was requesting an extension. The Board was advised that the IDA has reverter rights on the property and that Ms. Perez would set up a tour of the site with IDA Board members so that Board members could evaluate progress and consider the extension
 10. Unfinished Business
 - a. RFP Legal Services: The Board agreed to schedule interviews with all prospective law firms, with the goal of making a final recommendation and firm selection at the February 17th meeting
 - b. RFP Accounting Services: Tabled to be reviewed and discussed at February 17th meeting
 - c. By-laws: No new updates provided
 - d. Recruitment of IDA Secretary – Ms. Perez advised the group that she would be reviewing the applications of individuals who had answered a previous call for secretarial support to try to identify potential candidates, instead of issuing a new call. She advised the group that she had budgeted \$1500 for a recording secretary. Mr. Bedrosian questioned whether this was a sufficient budget to allow the Board to hire a qualified candidate.
 11. New Business: Request for Training : Mr. Curry requested permission to attend a quickbook training offer by the OCCC, valued at \$120. The Board agreed to reimburse him for that expense.
 12. Next Meeting: Scheduled for February 17th; and a Special Meeting with City Council was scheduled for the 19th
 13. The meeting adjourned at 9:45 PM