

TOWN OF BROOKHAVEN

INDUSTRIAL DEVELOPMENT AGENCY

MEETING MINUTES

JANUARY 16, 2013

MEMBERS PRESENT: Frederick C. Braun, III  
Gasper C. Celauro  
Ronald J. LaVita  
John Rose  
Ann-Marie Scheidt

EXCUSED MEMBER: Peter G. Moloney

ALSO PRESENT: Lisa M. G. Mulligan, Chief Executive Officer  
James Ryan, Chief Financial Officer  
Yves R. Michel, Deputy Director  
James M. Tullo, Deputy Director  
Annette Eaderesto, Counsel  
Howard Gross, Weinberg, Gross & Pergament  
William Weir, Nixon Peabody (via conference call)  
Jocelyn Brinka, IDA Assistant  
Annmarie Hallock, IDA Assistant

Chairman Braun called the meeting to order at 8:35 A.M. on Wednesday, January 16, 2013, in the Work Session Room on the Third Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York.

**MEETING MINUTES OF NOVEMBER 14, 2012**

The Minutes of November 14, 2012 had previously been sent to the Members for review. The motion to approve these Minutes as presented was made by Ms. Scheidt and seconded by Mr. Rose. All were in favor.

**MEETING MINUTES OF NOVEMBER 16, 2012**

The Minutes of the special meeting on November 16, 2012 were previously sent to the Members for review. The motion to approve these Minutes as presented was made by Mr. Rose, seconded by Mr. Celauro and unanimously approved.

**MEETING MINUTES OF DECEMBER 5, 2012**

The Minutes of December 5, 2012 were also sent to the Members prior to today's meeting. The motion to approve these Minutes as presented was made by Mr. Rose and seconded by Ms. Scheidt with no objections.

### **CFO'S REPORT – NOVEMBER 30, 2012**

Mr. Ryan presented the Operating Statement for November 30, 2012. There was a \$100,000 transfer from the operating account to the money market account and two treasury notes were purchased in November. The only activity in the PILOT account was a check for Sachem Public Library for the recent Drive Train 2011-2012 PILOT payment.

The motion to accept the Operating Statement for November was made by Mr. Rose and seconded by Ms. Scheidt. All were in favor.

### **CFO'S REPORT – DECEMBER 31, 2012**

Mr. Braun noted that the closing fee received from Methodist Retirement/Aging in America was from paying off their bonds. Ms. Mulligan added that their bonds were re-financed roughly a year and a half ago and this project has now been terminated. There was also a closing fee received for the Tate's Bake Shop closing. There have been a few application fees received for Sandy assistance applications and a treasury note matured. There were three deposits made in the PILOT account; a disbursement was made which will appear in next month's statement. Mr. Braun requested that Mr. Ryan double check the cash-on-hand figure. Mr. Ryan will amend this number and present an amended report at the next meeting.

The motion to accept the Operating Statement for December was made by Mr. LaVita, seconded by Mr. Rose and unanimously approved.

Mr. Braun noted that the Annual Report is due to the State by March 31, 2013. The Board is supposed to review the entire report before it is submitted to the Authority Budget Office. Since this is a tight deadline and so much goes into this report, there is a possibility that the March meeting may be pushed back so that the Board can review the report prior to submission.

### **ORGANIZATIONAL RESOLUTIONS**

#2 – Appointment of Counsel

Annette Eaderesto – General Counsel

Nixon Peabody, LLP – Bond & Transactional Counsel

Weinberg, Gross & Pergament – Bond & Transactional Counsel

Motion made by: Mr. Rose

Seconded by: Mr. Celauro

Unanimously approved

#5 – Delegating and Authorizing Lisa M.G. Mulligan the Authority to Execute Various Documents for the Industrial Development Agency

Motion made by: Mr. Celauro

Seconded by: Mr. Rose

Unanimously approved

#6 – Appointment of Albanese, Sini & Reeves, LLP for auditing and financial reporting services in an amount not to exceed \$15,500

Motion made by: Mr. LaVita

Seconded by: Mr. Celauro

Unanimously approved

Mr. Braun stated that while it is not required, the Agency could put out a Request for Proposals mid-year if the Board wishes to.

#7 – Appointment of Industrial Coverage Corporation as Insurance Broker

Motion made by: Mr. Rose

Seconded by: Ms. Scheidt

Unanimously approved

#8 – Approving the Slate of Officers for the IDA

Chairperson: Frederick C. Braun, III

Vice-Chairperson: Ann-Marie Scheidt

Treasurer: Gasper C. Celauro

Assistant Treasurer: Peter G. Moloney

Secretary: Ronald J. LaVita

Assistant Secretary: John Rose

Member: Vacant Seat

Motion made by: Mr. LaVita

Seconded by: Ms. Scheidt

Unanimously approved

#9 – Appointing a Governance Committee

Ronald LaVita

John Rose

Ann-Marie Scheidt

Motion made by: Mr. Celauro

Seconded by: Ms. Scheidt

Unanimously approved

#10 – Appointing an Audit Committee

John Rose

Peter Moloney

Vacant Seat

Motion made by: Ann-Marie Scheidt

Seconded by: Mr. Rose

Unanimously approved

#11 – Authorizing Rental Agreement with Town of Brookhaven at a rate of \$1,500 per month

Motion made by: Mr. LaVita

Seconded by: Ms. Scheidt

Unanimously approved

#12 – Hourly Workday Requirement for Industrial Development Agency Employees to be six (6)

hours

Motion made by: Mr. Celauro

Seconded by: Mr. LaVita

Unanimously approved

#13 – Adoption of Meeting Schedule for 2013

Motion made by: Mr. Rose

Seconded by: Ms. Scheidt

Unanimously approved

As mentioned earlier, the March meeting date may be adjusted.

#14 – Appointment of Applied Computer Technologies, LLC as Computer Consultant at a rate of \$75.00 per hour not to exceed \$5,000 per year for website upkeep

Motion made by: Mr. Rose

Seconded by: Ms. Scheidt

Unanimously approved

#15 – Authorizing the Chairman, Treasurer, Chief Financial Officer and the Chief Executive Officer to maintain accounts at Suffolk County National Bank and granting single signing authority to the Chairman, Treasurer, Secretary, Chief Financial Officer and Chief Executive Officer on all accounts for amounts up to \$2,500 with two signatures required if the amount exceeds \$2,500

Motion made by: Mr. Celauro

Seconded by: Ms. Scheidt

Unanimously approved

#16 – Adopting a Mission Statement and Measurement Report

Motion made by: Mr. Rose

Seconded by: Ms. Scheidt

Unanimously approved

#17 – Adopting the Town of Brookhaven Ethics Policy, Procurement Policy and Property Acquisition & Disposal Policy

Motion made by: Mr. Rose

Seconded by: Ms. Scheidt

Unanimously approved

#18 – Adopting Governance, Audit and Finance Committee Charters

Motion made by: Ms. Scheidt

Seconded by: Mr. Rose

Unanimously approved

#19 – Adopting a Uniform Tax Exemption Policy

Motion made by: Mr. Rose

Seconded by: Ms. Scheidt

Unanimously approved

#20 – Adopting a Compensation Policy

Motion made by: Mr. Rose

Seconded by: Ms. Scheidt

Unanimously approved

#21 – Adopting a Policy Concerning Board Member and Employee Loans

Motion made by: Mr. Celauro

Seconded by: Ms. Scheidt

Unanimously approved

#22 – Adopting a Prevailing Wage Policy

Motion made by: Mr. Rose

Seconded by: Ms. Scheidt

Unanimously approved

#23 – Adopting a Whistleblower Policy and Investment Policy

Motion made by: Mr. Rose

Seconded by: Mr. Celauro

Unanimously approved

#24 – Appointing a Finance Committee

Gasper Celauro

Ann-Marie Scheidt

Ronald LaVita

Motion made by: Ms. Scheidt

Seconded by: Mr. Rose

Unanimously approved

#25 – Adopting an Existing Building Benefit Policy

Motion made by: Mr. LaVita

Seconded by: Ms. Scheidt

Unanimously approved

#28 – Adopting an Incentive/Compensation Policy

Motion made by: Ms. Scheidt

Seconded by: Mr. LaVita

Unanimously approved

#29 – Adopting a Deferred Compensation Program Policy

Motion made by: Ms. Scheidt

Seconded by: Mr. LaVita

Unanimously approved

#30 – Adoption of Holiday Schedule for 2013

Motion made by: Mr. Rose

Seconded by: Ms. Scheidt

Unanimously approved

#32 – Appointment of Gasper Celauro as Treasurer

Motion made by: Mr. LaVita

Seconded by: Ms. Scheidt

Unanimously approved

**INTERCOUNTY ASSOCIATES**

There is a public hearing scheduled for January 31<sup>st</sup> regarding this project. A special meeting will be held on February 1<sup>st</sup> to consider their resolution.

**SUFFOLK TRANSPORTATION**

Ms. Mulligan reminded the Members that a resolution was approved for Suffolk Transportation in November. The original resolution did not indicate their intention to install solar panels on the facility. There is generally a fifteen year abatement granted for these types of additions. Mr. Ryan explained that there will be a ten year abatement on the building and then the solar

exemption would extend five years past that. Mr. Tullo noted that Suffolk Transportation has started erecting steel and construction is moving forward.

The motion to approve this verbal resolution amending the original resolution was by Mr. Celauro and seconded by Ms. Scheidt. All were in favor.

### **SANDY ASSISTANCE APPLICATIONS**

Ms. Mulligan presented applications from Swezey's Harts Cove Marina, Windswept Marina, Silly Lilly Fishing Station, and Moriches Boat and Motor that seek assistance due to Super Storm Sandy. All four companies are located in East Moriches. These applications are for sales tax exemptions only and all fall under \$100,000. Mr. Weir added that if the benefits are under \$100,000 a public hearing is not required.

The motion to approve these four applications was made by Mr. LaVita, seconded by Mr. Celauro and unanimously approved.

### **DISCRETIONARY FUNDS POLICY**

Ms. Mulligan informed the Board that the Authority Budget Office (ABO) is requiring a written policy governing the use of discretionary funds. Ms. Mulligan and Mr. Braun will work on crafting this policy that will outline what are permitted uses of Agency funds.

### **NOTICE OF INITIAL ALLOCATION**

The Agency's initial bond allocation for this year is \$7,721,937.00. Ms. Mulligan pointed out that this notice is usually sent much later in the year. Mr. Weir explained that the State passed a two year bill in 2012 which allows for more time to use these allocations.

### **DATABASE PROJECT**

Ms. Mulligan spoke with Seth Schneider from Applied Computer Technologies about developing a system that would help the Agency track project information. Mr. Schneider developed a program for the Empire Zone which could perhaps be adapted for the IDA. The cost for this database is estimated to be roughly \$10,000 to \$20,000 depending on the type of features that are added. Ms. Mulligan detailed how much a database would assist Agency staff and make operations much more efficient. Mr. LaVita inquired if there is a program already developed that other IDAs use; Ms. Mulligan responded that the Riverhead IDA developed one that the



Islip IDA purchased but later determined it did not meet their needs. Mr. Braun will check with other Agencies at the EDC conference in Albany next week to see if there is a program they utilize. Mr. Celauro added that this database should have a feature that allows the IDA to send a statement to each project every year showing the benefits they have received.

The motion to authorize Ms. Mulligan to seek three quotes to develop a database was made by Mr. Celauro and seconded by Mr. LaVita. All were in favor.

#### **CGR/INFORM ANALYTICS RENEWAL**

The annual fee for the cost benefit analysis program is up for renewal at a cost of \$750.

The motion to approve this expenditure was made by Mr. LaVita, seconded by Ms. Scheidt and unanimously approved.

#### **LONG ISLAND BUSINESS DEVELOPMENT COUNCIL (LIBDC) MEMBERSHIP**

The fee for membership with the Long Island Business Development Council (LIBDC) for 2013 is due at a cost of \$600.00.

The motion to approve this membership renewal was made by Mr. LaVita and seconded by Ms. Scheidt. All were in favor.

#### **INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL (IEDC) MEMBERSHIP**

The IEDC membership for 2013 is also due for renewal at a cost of \$765.00.

The motion to approve this membership renewal was made by Ms. Scheidt, seconded by Mr. Rose and unanimously approved.

#### **BROOKHAVEN INDUSTRIAL GROUP (BIG) MEMBERSHIP**

The Agency's membership to the Brookhaven Industrial Group will cost \$100.00 for the year.

The motion to approve this membership renewal was made by Ms. Scheidt and seconded by Mr. Celauro. All voted in favor.

#### **UPDATES**

Mr. Braun noted that the potential 88,000 sq. ft. expansion of Luitpold Pharmaceuticals has been delayed due to FDA issues. It is hoped that this will be back on track in the next few months.

Mr. Braun informed the Board that the highly anticipated “first flush” in Sewer District Number Two has occurred and the system is up and running.

Ms. Mulligan is being honored as one of Long Island’s Top “40 Under 40” business people on January 24<sup>th</sup> at the Crest Hollow Country Club. All members are invited to attend.

There will be a Long Island Software and Technology Network (LISTNET) meeting on February 12<sup>th</sup> at the Garden City Hotel that will feature a panel discussion on IDA programs, start-up funding and other economic development topics. All members are also invited to attend this event.

At 9:29 A.M. Mr. LaVita made a motion to go into executive session to discuss litigation proceedings and personnel matters. This motion was seconded by Mr. Celauro and unanimously approved.

At 10:15 A.M. Mr. LaVita made a motion that was seconded by Mr. Celauro to return to the regular meeting agenda. All were in favor. No action was taken in executive session.

**ORGANIZATIONAL RESOLUTIONS (CONTINUED)**

#1 – Appointment of Lisa M.G. Mulligan as Chief Executive Officer

Motion made by: Mr. LaVita

Seconded by: Mr. Celauro

Unanimously approved

#3 – Appointment of James Ryan as Chief Financial Officer

Motion made by: Mr. LaVita

Seconded by: Mr. Celauro

Unanimously approved

#4 – Appointment of Jocelyn Brinka as Administrative Assistant

Motion made by: Mr. LaVita

Seconded by: Mr. Celauro

Unanimously approved

#26 – Appointment of James M. Tullo as Deputy Director

This resolution was tabled. A verbal resolution to extend the salary of Mr. Tullo until February 20, 2012 was made by Mr. LaVita and seconded by Mr. Celauro. All were in favor.

#27 – Appointment of Yves R. Michel as Deputy Director

This resolution was tabled. A verbal resolution to extend the salary of Mr. Michel until February 20, 2012 was made by Mr. LaVita and seconded by Mr. Celauro. All were in favor.

#31 – Appointment of Annmarie Hallock as Clerical Assistant

Motion made by: Mr. LaVita

Seconded by: Mr. Celauro

Unanimously approved

The motion to close the meeting at 10:20 A.M. was made by Ms. Scheidt and seconded by Mr. Rose. All were in favor.

*There will be a special meeting of the IDA on February 1, 2013.*

*The next regularly scheduled meeting of the IDA is scheduled for February 20, 2013.*