

**MINUTES OF MEETING**  
**RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY**  
September 10, 2018

Meeting was called to order at 5:04PM by Chairman Thomas Cruso.

Present: Thomas Cruso, Chairman  
Lori Ann Pipczynski, Vice Chairwoman  
Robert (Bob) Kern, Treasurer  
Anthony (Tony) Barresi, Secretary

Absent:

Signifying a quorum.

Others in Attendance: Tracy Stark-James, Executive Director  
Richard Ehlers, IDA Counsel  
Jim Wooten, TOR Liaison

By motion of Member Bob Kern and second by Member Tony Barresi the agenda was adopted.

Chairman Cruso reminded the public that the meetings are now televised. He also introduced the Town Board liaison, Councilman Jim Wooten

**MINUTES**

The Board moved to dispense with the reading of and voted on the August 6, 2018 meeting minutes.

**#42-18 RESOLUTION APPROVES MINUTES OF REGULAR MEETING OF August 6, 2018**

Member Bob Kern offered the following resolution, which was seconded by Member Tony Barresi

**RESOLVED**, the minutes of the meeting of August 6, 2018 as prepared and e-mailed be and are hereby approved, and

**BE IT FURTHER RESOLVED**, that copies of said minutes be maintained in the files of the Agency and become a part of the record of the Agency.

**Vote:** 4 Yes

**PRESENTATIONS:**

Representatives from Island Companies, an existing business located in Calverton made a brief presentation to the board and requested assistance to remain in NY and for additional expansion to the company. Present from the company were Tim Stevens, Ed Harms, Jeff Robinson, and Danielle Imbriano.

Ed Harms as Managing Partner of Island International Exterior Fabricators provided a little history on the company and also explained what the company does, their market area, expansion strategy and hurdles faced while doing business in Calverton and NY. Their business is the "building envelope," meaning they make the exterior enclosure system for a building. Markets are NY City, Manhattan and surrounding boroughs, an office in Boston which is their second primary market with sights on Pennsylvania and Jersey. They want to leverage prefabrication construction in the marketplace. Some of the highlighted projects worked on include Barclays, 911 Memorial, Foxwoods Casino, Boston Children's Hospital, Queens College, and MIT. They are in a very competitive environment given they are manufacturing on LI. Their main competitors are Asia and Mexico or Mid-Eastern states.

Eighty to eighty five percent of engineering work comes out of Calverton, but they have had trouble attracting engineers to the area so there are some in NYC and Boston. They currently occupy approximately 350,000 sq ft over in 6 buildings in Calverton, some leased, some owned. They have approximately 500 employees company wide, more than 200 in Calverton. They need to hire an additional 50-75 employees. Due to time constraints they have begun their expansion already by securing a lease of approximately 70,000 sq. ft. in Calverton for curtain wall fabrication, but will also need another 30,000 sq. ft. added to one of their existing buildings. They will ultimately be needing 90,000 sq. ft. and possibly need to run another shift. The Agency has been working with the company for approximately 9 mos. along with the State and County officials to retain them in NY. Pennsylvania relocation was eminent without assistance from NY incentive programs.

Pending a completed application, the board authorized the publication of a public hearing notice for the next board meeting. The next board meeting will have to be postponed. An October board meeting date will be determined.

**CORRESPONDENCE:** Provided prior to meeting

**TREASURER'S REPORT:**

Cash Balance in as of August 31	\$356,087.56
Revenue for August	\$6.75
Profit and Loss	\$128,286.30
Accounts Receivable	\$5,174.16
Total Expenses Paid	\$13,408.61

**#43-18 RESOLUTION ACCEPTS REPORT OF EXPENSES AND AUTHORIZES PAYMENT OF BILLS AS OF August 31, 2018**

**WHEREAS**, Denise Cooper, CPA and Tracy Stark-James, Executive Director, submitted monthly financial reports, including a report of expenses, to the Riverhead Industrial Development Agency for the period of August 1 to August 31, 2018 **as attached**,

**NOW, THEREFORE, BE IT RESOLVED**, said monthly financial report dated September 6, 2018 covering the month of August, be and are hereby accepted and expenses as listed are authorized for payment.

Member Lori Ann Pipczynski made a motion to accept Treasurer's Report, which was seconded by Member Tony Barresi. **Motion approved.**

**Vote:** 4 yes

**COMMITTEE REPORTS:**

Audit: No report.

Governance Committee: No report

Finance Committee: Chairman of the Finance Committee Bob Kern reported that the committee had reviewed the proposed draft budget for 2019. The committee made a recommendation to authorize the draft to be sent to the Supervisor of the Town of Riverhead for review and comment. The committee also discussed putting funds into a higher interest bearing account. Research was done by the CFO and is recommending an account with Capital One. More details are needed before any action is taken.

**#44-18 RESOLUTION APPROVING DRAFT BUDGET FOR FISCAL YEAR  
01/01/19-12/31/19**

Bob Kern offered the following resolution, which was seconded by Lori Ann Pipczynski.

Member Lori Ann Pipczynski expressed concern over the projected revenue reflected in the proposed budget for 2019. The ED explained that we use the previous three year average to calculate the revenue. Member Pipczynski noted that the agency closed on the largest project in the agency history and was concerned that it may skew the revenue projections. The ED will review and reminded the board that the adoption of the budget will be during the next board meeting. This resolution is to authorize sending this to the municipality for review.

**WHEREAS**, it is recommended accounting practice that an operating budget be established for the Riverhead Industrial Development Agency; and

**WHEREAS**, Section 2801 of Public Authorities Law provides budget reporting requirements for state and local public authorities and requires the submission of proposed budget reports not more than 90 days and no less than 60 days before the commencement of their fiscal year; and

**WHEREAS**, Article 18-A of GML requires a copy of the draft budget to be forwarded to the chief executive office and the governing body of the municipality for whose benefit the

agency was established for inspection and comment of its proposed budget for the forthcoming fiscal year, no later than twenty business days before its adoption.

**NOW, THEREFORE BE IT RESOLVED**, that the attached is hereby approved for submission to the CEO and governing body of the Town of Riverhead as the proposed Operating Budget of the Riverhead Industrial Development Agency for fiscal year 01/01/19 through 12/31/19; and

**BE IT FURTHER RESOLVED**, copies of this resolution be and hereby are authorized to be filed with all necessary parties as described by law.

**Vote:** 4 Yes

**OLD BUSINESS:**

a. Compliance Hearings on Wolf Properties and Pike Realty were not necessary as the issues have been resolved. They do not need any further board action.

b. Consideration of Approval of Personnel Evaluation and consideration to amend the employment agreement.

**EXECUTIVE SESSION**

The Chairman recessed the regular board meeting to move into Executive Session to discuss contracts and litigation matters. Member Tony Barresi motioned to recess the regular meeting at 6:17pm. Member Lori Ann Pipczynski seconded. There was discussion regarding litigation matters and contracts during the session. No action was taken during the executive session.

Member Lori Ann Pipczynski motioned to reopen the regular meeting of the board. Member Bob Kern seconded. The board meeting resumed at 6:51pm.

Member Lori Ann Pipczynski motioned to reopen the regular meeting of the board. Member Bob Kern seconded. The board meeting resumed at 6:51pm.

**RESOLUTION #46-18 APPROVES PERSONNEL EVALUATION AND AUTHORIZES CHAIRPERSON TO EXECUTE AMENDMENT TO EMPLOYMENT AGREEMENT**

Lori Ann Pipczynski offered the following resolution, which was seconded by Bob Kern.

WHEREAS, the Personnel Committee has provided its report on the evaluation of the staff, and

WHEREAS, it is the desire of the Board of Directors to amend the contract with the Executive Director.

BE IT RESOLVED, that the employment contract shall be amended accordingly and the Chairperson be and is hereby authorized to execute such amended contract effective June 1, 2018 to June 1, 2021.

**Vote:** 4 Yes

**NEW BUSINESS:**

a. Consideration of Proposed 2019 Budget – taken out of order above.

b. Consideration of Capital One Market Investment – #45-18 Tabled

**EXECUTIVE DIRECTORS REPORT**

The ED informed the board that the Town's East End Employment Expo is scheduled for October 16<sup>th</sup> between 5-7pm at the LI Aquarium & Exhibition Center.


The LI IDA's are coordinating with NYSTAR and NYSEDC for a manufacturing symposium. RIDA also reached out to the Town of Brookhaven and is working on joint efforts to host two Opportunity Zone Seminars. She will forward details in an email.

Lastly, the ED distributed information on regulations being proposed by the Authority Budget Office. On behalf of the IDA's, NYSEDC attended and submitted written testimony during a public hearing on the proposal. It was concluded by the IDA's that much of the proposed regulation was already written into law during the reform package of 2015. However, there were concerns about discrepancies between feedback on compliance between the ABO and OSC.

The next board meeting is currently scheduled for Oct 1<sup>st</sup> but is subject to change. Member Tony Barresi motioned to adjourn the meeting. Member Lori Ann Pipczynski seconded.

There being no further business, the meeting was adjourned at 6:56pm

Dated: 10/15/18

  
Secretary/Asst.

