

**Minutes of the Putnam County
Industrial Development Agency (“IDA”)
Board of Directors
Meeting of January 12, 2016
34 Gleneida Avenue, 2nd Floor
Carmel, NY 10512**

DRAFT

Chairman Richard Ruchala called the meeting to order at 5:13 p.m.

1. Roll Call – The following Directors were present: Richard Ruchala, Chair, Ray Ruyack, Vincent Murphy and Bill Nulk

Absent: Kevin Bailey, Maureen McLaughlin and Randall Chiera

Guests: Dave Propper, The Examiner
Jill Varricchio, President Putnam County EDC

Staff: Alan Wolfson, CFO
Sharon Donaghey, Executive Director
2. Approval of Minutes – On motion by Bill Nulk, second by Ray Ruyack, the Minutes of the October 29, 2016 Regular Meeting and 2015 Annual Meeting were reviewed and approved – Motion passed 4-0; carried unanimously.
3. 2015 Activities Report – after discussion, upon motion by Richard Ruchala, second by Vincent Murphy, the 2015 Activities Report was approved and will be posted on the IDA website – motion passed 4-0; carried unanimously.
4. Audit Committee Report – Ray Ruyack, Chairman of the Audit Committee, reported the Committee met to approve the past meeting minutes and determined that at this point in time, there was no other business that could be done.

Regarding the 2015 Audit, Chairman Ruchala advised that he spoke to Michael Quis’ office and they would be available to do the Audit. The ABO requires peer review in order to do municipal work and Michael Quis doesn’t have it yet but is in the process of getting peer review.
5. Directors & Officers Liability Insurance – Chairman Ruchala advised the Board that the Directors & Officers Liability Insurance is due for renewal. Marshall & Sterling will be handling the renewal, as in past years. After discussion, upon motion by Richard Ruchala, second by Ray Ruyack, the Board approved the renewal of the Directors & Officers Liability Insurance for the year 2016 with Marshall & Sterling – The motion was approved 4-0; carried unanimously.
6. On motion by Chairman Ruchala, second by Bill Nulk, the Regular Board meeting was closed at 5:25 pm and the Governance Committee was called to order – The motion was approved 4-0; carried unanimously.
7. On motion by Chairman Ruchala, second by Vincent Murphy, the Regular Board meeting was reopened at 5:27 pm – The motion was approved 4-0; carried unanimously.
8. Governance Committee Report – Vincent Murphy & Bill Nulk, members of the Governance Committee, reported the Committee met to approve the past meeting minutes and determined that at this point in time, there was no other business that could be done.

9. Current Opportunities – Chairman Ruchala reported on the following opportunities he’s been working on:
- Land that was annexed from the Town of Southeast is a possible light manufacturing project in the Village of Brewster
 - BraveCor – Chairman Ruchala brought the owners to speak to IDA attorneys; this could be a two (2) project opportunity; an application is expected to be filled out soon
 - Patterson Crossing and Stateline is still active projects
 - Metal & Glass Solutions – their Project resolution expired 12/31/15 and Chairman Ruchala has been unsuccessful in reaching them to extend the Resolution
 - Fox Ridge – it is expected that a Best Western hotel will be finished by spring 2016
10. Old/New Business – Chairman Ruchala asked if there was any other business or matters to discuss; the response was “no”.

Chairman Ruchala announced that he is resigning and handed in his Letter of Resignation as Chairman of the IDA Board and Board member. He advised that he’s done everything in his power to get funding for the IDA from the County so a CEO can be hired and operating expenses can be paid. He attended numerous Legislative EDC meetings, prepared an outline of various funding options showing how funding the IDA could have a “zero” impact on the County budget, provided a business plan and financials, submitted a written request; and after doing everything the Legislature asked, no direct funding was provided. Rather than provide the IDA with direct funding, similar to the funding mechanism enjoyed by other outside County Agencies, the County Administration and Legislature voted to put funding for the Putnam County IDA in a “sub-contingency” account, meaning, the IDA would have to go before the Legislature every time it needed money and wait for the request to be approved. This is counter-productive and insulting since the IDA has been working for the best interest of the County for over 20 year with no financial discrepancies!

Chairman Ruchala also reported that in September he was contacted by a law firm and advised that Putnam Hospital Center, a not-for-profit corporation, requested \$40 million in bonds, \$28 million which would be assignable to Putnam County. Chairman Ruchala was asked by the law firm if he thought there would be an interest. He advised that he totally supported the idea and thought it would be a positive for Putnam County. Since the IDA cannot help not-for-profits, he told them to call Deputy Co-Executive Walker in an effort to create a Putnam County Local Development Corporation (LDC). Even though inquiries were made about the financial details of the LDC and how the money would be apportioned, no financial details were released at December 3, 2015 County Legislative EDC meeting. At this December 3, 2015 meeting, the County Legislative EDC voted to approve a partnership between Dutchess County and Putnam County to have a shared LDC. The Putnam County Legislature and Administration chose to use Dutchess County resources instead of utilizing the knowledge and resources afforded it by the member of the Putnam County IDA. The Putnam County IDA would have been the obvious agency to run the Putnam County LDC since this would have provided consistency for Putnam County.

Chairman Ruchala commended the Volunteer Board for all of the work they did and their commitment to Putnam County despite the lack of respect shown and the lack of needed financial support from the County. He has nothing but praise for this Board.

Vice Chairman Ray Ruyack spoke and stated that his Board term expired as of December 31, 2015 so he's submitting his Letter of Resignation as Chair of the Audit Committee. He applauded the Board for its commitment to Putnam County and a job well done despite the difficulties it faced.

Vincent Murphy spoke next and submitted his Letter of Resignation as a member of the Putnam County IDA Board. He stated that this IDA Board has been one of the finest boards he's been a member of and he "cannot say enough about its members". He noted that Richard Ruchala has done more than an excellent job in his role as Chairman, following in the shoes of Dan Birmingham and Kevin Bailey. He also stated that he thought very highly of Burt Houseworth, former CEO, who did an outstanding job. He congratulated Richard and the entire Board on a "job well done". He then stated that he doesn't know why the current Administration wanted him off the Board.

Bill Nulk then spoke and submitted his Letter of Resignation as a member of the Putnam County IDA Board. He stated he came on this Board to help Putnam County but in light of the fact that he sees no support from the County "this Agency cannot function".

Richard Ruchala advised that Randy Chiera (whose term expired on December 31, 2015) and Maureen McLaughlin, who were unable to attend the meeting in person, gave him their Letters of Resignation as members of the Putnam County IDA Board and they were submitted. Richard then advised that Sharon Donaghey has resigned as Executive Director of the Putnam County IDA and her letter was submitted.

Three board members have been termed out, Kevin Bailey(2014) and Ray Ruyack & Randall Chiera(2015). Richard Ruchala, Vincent Murphy, Maureen McLaughlin and Bill Nulk have all resigned from the IDA. Sharon Donaghey the Executive Director, who is not a board member, also resigned. This in effect is a full resignation of the entire IDA board.

Richard's final comment "the Putnam County IDA Volunteer Board did an excellent job running the IDA for the last two (2) years with \$12,000 in the bank and now finds itself in need of financial support from the County but they have "turned a deaf ear" to our needs!"

A motion was made to adjourn the meeting by Richard Ruchala, second by Ray Ruyack. The motion was approved 4-0 at 6:13 pm – carried unanimously.

Respectfully,

Vincent Murphy
Secretary