

Frank S. Venezia
Chairman

Joseph P. Richardson
Vice Chairman

Sam NeJame
Secretary

Brian T. Stenson
Treasurer

Victoria Stanton Sweeney
Assistant Secretary

Mark Hennessey
Member

Stephen P. Rosenblatt
Member

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MINUTES
March 23, 2011

A meeting of the Town of Bethlehem Industrial Development Agency was convened in public session in the Bethlehem Town Hall, 445 Delaware Avenue, Delmar, NY at 8:00a.m., on Wednesday, March 23, 2011.

Attendance was recorded as follows:

<u>Board Members Present</u>	<u>Board Members Absent</u>	<u>Counsel Present</u>	<u>Town Staff Present</u>	<u>Others Present</u>
Frank Venezia	Mark Hennessey	Thomas Connolly	Robin Nagengast	Katharine Doran
Joseph Richardson	Sam NeJame	Joseph Scott	Suzanne Traylor	Jennifer Kilcoyne
Brian Stenson			Terry Ritz	
Victoria Stanton-Sweeney			Josh Cansler	
Stephen Rosenblatt			Erik Deyoe	

Chairman Venezia called the meeting to order at 8:01am.

NEW BUSINESS

2010 Annual Audited Financial Statement & PARIS Report/Resolution

Katharine Doran, of Teal, Becker & Chiamonte reviewed the Independent Auditors' Report. The audits were conducted in accordance with generally accepted auditing standards. There were no deficiencies identified in internal control over financial reporting that would be considered to be material weaknesses, as defined in the auditors' Report on Internal Control.

Ms. Traylor reviewed the Management's Discussion and Analysis, Statement of Net Assets, Statements of Revenues, Expenses, and Changes in Net Assets, Statements of Cash Flows, the Notes to Financial Statements, and the Financial Report.

Report of Audit Committee

Chairman Venezia reported that Ms. Doran presented the 2010 Annual Audited Finance Statement to the Audit Committee at the March 14, 2011 meeting. The committee also met in Executive Session with Ms. Doran, without staff present. The Committee accepted the financial statements and recommends that the Agency accept the financial statements.

Approval of 2010 Annual Audited Financial Statement

Upon motion by Mr. Richardson, seconded by Mr. Stenson, the following resolution was unanimously adopted by all Members present:

Resolved, that the Agency approves the 2010 Annual Audited Financial Statement.

Approval of Assessment of Internal Controls

Ms. Stanton-Sweeney asked to change the Internal Control Statement to reflect that Management – not the Audit Committee - has made an assessment that the internal controls of the Agency are adequate to provide a reasonable degree of assurance as to the accuracy of financial reports. The Audit Committee has accepted the Internal Control Statement.

Upon motion by Ms. Stanton-Sweeney, seconded by Mr. Stenson, the following resolution was unanimously adopted by all Members present:

Resolved, that the Agency approves the Assessment of Internal Controls as amended.

2010 Performance Measures

Upon motion by Mr. Richardson, seconded by Mr. Stenson, the following resolution was unanimously by all Members present:

Resolved, that the Agency approves the 2010 Performance Measures.

2010 Annual Investment Report/Resolution

Upon motion by Mr. Stenson, seconded by Mr. Richardson, the following resolution was unanimously adopted by all Members present:

Resolved, that the Agency approves the 2010 Annual Investment Report/Resolution.

2010 Annual Procurement Report & Policy

Upon motion by Mr. Richardson, seconded by Ms. Stanton-Sweeney, the following resolution was unanimously adopted by all Members present:

Resolved, that the Agency approves the 2010 Annual Procurement Report & Policy.

Ms. Traylor suggested the Agency amend its Procurement Policy to reflect recent changes to Municipal Law 103 and to be consistent with the Town policy which was recently revised.

OLD BUSINESS

Project Updates

Vista: Mr. Connolly said he would like the Agency to provide feedback to Mr. Cansler and Mr. Deyoe as to who is going to be party to the contract, the Agency or the Town; what is the effective date of the contract; who has the construction risk in the case of cost overruns.

Mr. Ritz provided the summary list of the timeline of the RFPs below.

- 2/1/11 – RFP for creating a detailed cost estimate sent to three (3) Town Designated Engineers
- 2/28/11 - Three (3) quotes to create detailed cost estimate submittals were received, Barton & Loguidice at **\$7400**, The Chazen Companies at **\$3000** and Clough Harbor Associates at **\$6200**
- 3/1/11 - Deputy Commissioner Erik Deyoe, and Assistant Engineer Terry Ritz met to review and discuss quotes to create a detailed cost estimate.
- 3/2/11 – Terry Ritz wrote letter of recommendation to Chairman Venezia to hire Chazen to create the detailed cost estimate for construction.
- 3/8/11 - Construction Management RFP sent out to twenty-three (23) Engineering, Construction Management and Development Companies
- 3/10/11 - Revised Construction Management RFP sent out (adjusted length of time)
- 3/10/11 - Construction Observation and Administration RFP sent out to three (3) Town Designated Engineers (TDE's).
- 3/18/11 – Received three (3) complete Construction Management proposals, one from **BBL**, one from **Ingalls and RAPP Construction Management** and one from **Turner Construction Company**.
- 3/18/11 – Received three (3) complete Construction Observation and Administration proposals, one from **Barton and Loguidice**, one from **CHA** and one from **Chazen**.
- 3/21/11 – RFP Review Committee (DPW Commissioner Josh Cansler, Deputy Commissioner Erik Deyoe, Town Engineer Paul Penman and Assistant Engineer Terry Ritz) met to review and discuss submittals.
- 3/22/11 – RFP Review Committee met to review and discuss submittals.

- 3/22/11 – Received detailed cost estimate for Vista Boulevard construction from Chazen.
- 3/23/11 – IDA regular meeting.

Mr. Deyoe recommended a Memorandum of Understanding (MOU) with JRN Development holding the Agency harmless. It was agreed that Mr. Nicolla has indicated at the March 11, 2011 meeting that he would sign an agreement indemnifying the Agency. Mr. Connolly reminded the Agency that the application fee is a component of the indemnification. Mr. Scott will draft the indemnification agreement between the Agency and JRN Development.

Mr. Deyoe reviewed the roles of the Construction Manager and the Construction Inspector, also known as Construction Observation and Administration and clarified the concept of “construction manager at risk”. Under the guidance of the Construction Manager, the Agency will award and hold all construction contracts. There was a discussion of how to facilitate continued progress of the project as an Agency and adhere to the procurement policy and how to mitigate construction risk to the Agency. Mr. Deyoe said that construction risk would be mitigated by a contingency fund and by a payment and performance bond. Mr. Deyoe said that he would confer with the construction manager to see if the construction manager could approve engagement of the subcontractors so that the Agency would not have to approve each contract or some other process that would avoid a bottleneck in the engagement of subcontractors. Mr. Deyoe will report back at the next meeting.

Mr. Deyoe was able to offer the Engineering Department’s recommendation for Construction Manager as Advisor. BBL offered the lowest fee and is well qualified. Mr. Ritz concurred.

Upon motion by Mr. Richardson, seconded by Mr. Stenson, the following resolution was unanimously adopted by all Members present:

Resolved, that the Agency approves contracting with **BBL as Construction Manager** on the Vista Infrastructure Project.

Mr. Deyoe advised the Engineering Department’s recommendation for Construction Observation and Administration. Chazen is well qualified and their hourly fee and project approach are the least expensive. Mr. Ritz concurred.

Upon motion by Mr. Richardson, seconded by Mr. Rosenblatt, the following resolution was unanimously adopted by all Members present:

Resolved, that the Agency approves contracting with **Chazen as Construction Observation and Administration** on the Vista Infrastructure Project.

The **Planning Board Update** was tabled due to time constraint.

35 Hamilton of Glenmont LLC: Mr. Scott advised the project has closed.

MEETING SCHEDULE

- 8:00 a.m., Wednesday, April 27, 2011, Room 101 – Regular Meeting
- 7:30 a.m., Wednesday, April 27, 2010, Room 107 - Governance Committee

APPROVAL OF MINUTES

The minutes of the Special Meetings held March 2, 2011 & March 11, 2011 were tabled due to time constraint.

MOTION TO ADJOURN

A motion to adjourn was made by Mr. Richardson, seconded by Mr. Stenson, and unanimously approved by all Members present at 9:28a.m.

Respectfully submitted,
Robin Nagengast