

Pittsfield Economic Development Authority
May 9, 2012

Meeting Minutes

In attendance was Chairman Gary Grunin, George Whaling, Mick Callahan, Dan Bianchi, and Mike Matthews, Board Members.

Also in attendance was Beth Goodman, legal counsel, Corydon Thurston, Executive Director, and Colleen Hunter-Mullett, clerk.

I Administration

a. Call to Order

Chairman Grunin called the meeting to order at 8:00 AM.

b. Approval of April 11, 2012 Minutes

There was a motion to approve the April 11, 2012 meeting minutes as presented, seconded and carried.

II Presentation of 2011 Audit Report

Vince Viscuso and David Irwin, auditors with Adelson, Moynihan Kowalczyk, PC, presented their annual report to the Board. They reviewed the 2011 Independent Audit Report, Management Discussion & Analysis, Statement of Net Assets, Statement of Revenues, Expenses & Changes in Net Assets, Statement of Cash Flows, Notes to Financial Statements & Accounting Policies, and Report on Internal Controls. Mr. Viscuso submitted a summary of available funds stating that PED A has \$ 7,068,216 available to expend.

Mr. Irwin explained the unrecorded asset finding that Adelson issued, explaining that the value of the 40's and Woodlawn Ave. was not recorded on the books at the time of their transfer from GE. He also explained that the second finding issued was due to an expiring CD at Greylock Credit Union that was not properly recorded when the money was placed in a different interest bearing account. Mr. Irwin issued the following recommendations:

1. Reminder to record new land transfer.
2. Dual signatures on checks over \$5,000.00
3. Monthly review of bank statements and the check register by a Board Member.
4. Payroll – The Executive Director should call in the Assistant Treasurer's payroll and that the Assistant Treasurer should be paid in the same year that work is performed.
5. A formal job description and explanation of benefits for the Executive Director should be written and kept on file.

Mr. Callahan and Mr. Viscuso had a discussion regarding the assessed value of the land. Mayor Bianchi questioned Mr. Viscuso regarding the depreciation on infrastructure. Mr. Viscuso stated that it was the capital improvements made to the land that were being depreciated.

Mr. Whaling asked Mr. Viscuso how PED A did with its budget. Mr. Viscuso stated that staying on budget is extremely hard to do because what you plan to spend and what you actually spend can change.

Mr. Whaling asked what was included in the line item for Contract Cost. Mr. Viscuso stated that any and all development costs were included in that line item.

Mr. Whaling stated that he would like to limit or reduce the cost of meeting attendance by professionals.

Mr. Thurston reviewed the budget discrepancies and assured the Board that improvements would be made.

There was a motion to accept the financial reports, seconded and carried.

III. Executive Director's Report

Financial Update

Mr. Thurston discussed the Q1 Financial Statements, policies and procedures update and distributed the 2012 budget for Board review. Mr. Matthews stated that he would like to see a line item added to show the cost of professionals and he will work with Mr. Thurston to look further out than just a one year budget.

Mr. Thurston stated that he had some discussions regarding the forgiveness for prepayment of the MWPAT Loan but was unable to get them to agree to this. He informed the Board that he will proceed to pay off the loan by the end of next quarter, stating that it was a good deal at the time because of the low interest rate, but it is no longer beneficial to PEDDA.

There was a motion to authorize the Executive Director to execute the documents to pay off the MWPAT Loan, seconded and carried.

Mr. Thurston informed the Board that he had already created some internal financial controls that the Auditor had suggested in order to assure that everyone is protected. He stated that the most significant change will be requiring 2 signatures on checks over \$5,000.00. He also informed the Board that the Assistant Treasurer will be paid at the end of December for work performed in 2012.

Mr. Thurston stated that FY 2013 will be calendar year and the budget will be submitted in November of 2012 for Board Review and approval.

Silver Lake Shoreline

Mr. Thurston informed the Board that the City Council had agreed to enter into an easement with PEDDA to maintain the Silver Lake shoreline and walkway at its meeting last night. He also stated that GE is expected to begin work on Phase 1 of the Silver Lake restoration in early June.

NPDES Permit

Mr. Thurston informed the Board that there is nothing new to report on this. Information is still be collected.

Life Sciences Building

Mayor Bianchi informed the Board that he has had some preliminary discussions with UMASS and that Donna Mattoon, his assistant, has done some research on specific products and is confident that it will be a

productive exercise in the next twelve months. He also stated that he is looking at other bond bills in the State legislature to see if additional funding can be acquired.

Mr. Thurston reviewed the Mass Development Brownsfield committee meeting, held here in Pittsfield and included a tour of the WSBP. He stated that there are new opportunities with MassDevelopment and they are working with PEDDA.

Mr. Callahan stated that it's important to remember that the life science building being constructed at MCLA will also assist PEDDA. Mayor Bianchi agreed.

Mr. Thurston stated that he had not allocated funds for hiring a professional to assist PEDDA with the life science building in the 2012 budget. Mr. Whaling asked if the City or PEDDA was going to take the lead on this. Mayor Bianchi stated that PEDDA will take the lead with assistance from the City. Mr. Whaling would like the Board to hire someone to shepherd PEDDA through the process.

Mayor Bianchi stated that Mr. Thurston, with the assistance of Donna Mattoon, will be working of developing PEDDA's plan. Mr. Whaling stated that there is a lot PEDDA doesn't know about the process and he feels PEDDA needs assistance now. Mayor Bianchi informed the Board that he's been told by Congressman Olver's office that there are people at UMASS that know the process and can point PEDDA in the right direction and toward the right vendors. Mr. Callahan stated that he feels there is some grassroots work that needs to be done.

Mr. Whaling asked if the Board could get a one page white paper on what PEDDA needs to do at the next Board meeting. Mr. Thurston stated that he would provide that for the next Board meeting. Mr. Callahan stated that he felt there is not one person that will get this done and that it will take many people.

MassDOT/CSX Meetings – Bridge

Mr. Thurston informed the Board that the MassDOT had sent a letter to the Mayor recommitting to the reconstruction of the Woodlawn Ave Bridge, however, the proposed completion date is 2015. He stated that this remains a concern for PEDDA because the road needs to be opened in order for PEDDA to get commitments to build on the property.

Mayor Bianchi stated that he had a conversation with Secretary Davies and that he is confident that next year's transportation bond bill will include money for the Woodlawn bridge. He stated that they are now talking construction in March 2014. Mayor Bianchi stated that he felt it was a positive discussion and he's confident that the delegation is on board and will assist to move this forward. Mayor Bianchi stated that he thought the 2015 date was a worst case scenario.

Mr. Thurston stated that he has not signed any agreement with CSX to take the bridge down as of yet so PEDDA has a bit of leverage. He expressed concern about jeopardizing relationships between MassDOT and the City because the City has a large number of projects going on in the City. Mr. Callahan asked if PEDDA could open Woodlawn Avenue right now. Mr. Thurston stated that PEDDA could open the road.

Mr. Matthews suggested forming a committee to discuss all the leverage points and make recommendations back to the Board.

Ms. Goodman stated that it has been her experience that highway projects through the State's TIPS program are listed in order of priority. She asked if anyone has looked to see what the priority of this bridge construction is. Mr. Thurston stated that he had not. Mr. Callahan stated that Nat Karnes would know what priority it was listed at. Mr. Grunin asked Mr. Thurston to call Nat Karnes and inquire as to its status and priority.

Project Matrix

Mr. Thurston submitted an updated project matrix for Board review.

There was a unanimous roll call vote to enter into executive session. Mr. Whaling left the meeting before entering into executive session.

*****EXECUTIVE SESSION MINUTES*****

There was a unanimous roll call vote to exit executive session. No votes were taken during executive session.

There was a motion to adjourn at 10:00 AM, seconded and carried.

Respectfully submitted,



Colleen Hunter-Mullett

Clerk