



# Choose Columbia

Columbia Economic Development Corporation

## **COLUMBIA ECONOMIC DEVELOPMENT CORPORATION NOTICE OF MEETING**

Please take notice that there will be a meeting of the Columbia Economic Development Corporation Governance and Nominating Committee held on November 19, 2015 at 8:30am, at 4303 Route 9, Hudson, NY 12534 for the purpose of discussing any matters that may be presented to the Committee for consideration.

Dated: November 12, 2015  
F. Michael Tucker  
Interim Executive Director  
Columbia Economic Development Corporation

### **CEDC Governance and Nominating Committee Agenda**

**Chairman:**  
Scott Wood

**Members:**  
Jim Champion  
David Fingar  
Tony Jones  
Sarah Sterling

1. Minutes from August 12, 2015, August 19, 2015 and September 2, 2015 meetings
2. Code of Ethics
3. Conflict of Interest Policy
4. CEDC Board Member Openings
5. Public Comment

**Attachments:**  
Draft minutes from August 12, 2015, August 19, 2015 and September 2, 2015 meetings  
Draft Code of Ethics  
Draft Conflict of Interest Policy



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**DRAFT**

**MINUTES  
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION  
GOVERNANCE COMMITTEE  
Wednesday, August 12, 2015  
4303 Route 9  
Hudson, New York**

A initial meeting of Columbia Economic Development Corporation's (CEDC) Governance Committee was held at their offices located at 4303 Route 9, Hudson, NY 12534 on August 12, 2015. The meeting was called to order at 8:35 am by Mike Tucker, Interim Executive Director.

Attendee Name	Title	Status	Arrived
David Fingar	Committee Member	Present	
Tony Jones	Committee Member	Present	
Sarah Sterling	Committee Member	Present	
Scott Wood	Committee Chair	Present	
F. Michael Tucker	Interim Executive Director	Present	
Andy Howard	Council	Present	
Lisa Drahushuk	Administrative Supervisor	Present	
Martha Lane	Business Development Specialist	Present	
Erin McNary	Bookkeeper	Present	
Carol Wilber	Marketing Director	Present	
Katie Kocijanski.	Reporter Register Star	Present	
Ron Cardis	Public	Present	

**Election of Chair:**

Mr. Wood nominated Mr. D. Fingar as Committee Chair. Mr. D. Fingar declined the nomination stating he was unable to fulfill the duties at the present time. *Mr. Jones made a motion to nominate Mr. Wood as Committee Chair, seconded by Ms. Sterling. Carried*

**Schedule of Existing Practices:**

Mr. Tucker reviewed the spreadsheet which compared CEDC existing practices and documents to the ABO requirements and best practices. He stated the Committee would be working on revising the by-laws, noting he had included the current by-laws in the meeting packet as well as the amended and restated version. Mr. Tucker suggested the Committee, adopt their charter at the next meeting, and recommend that the Board reconstitute the Executive Committee once a new President is elected. The Committee indicated that it would begin reviewing all policies keeping in mind best practices. Mr. Tucker noted the recordkeeping is good, but required updates. Mr. Jones suggested the Board be provided with binders containing all policies and procedures that would be kept updated. Mr. Tucker



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handed out copies of the ABO's publication, "Board Meetings: Best Practices Guide for Public Authorities". He stated it was the staff's obligation, along with Counsel, to provide reminders and guidance to the board members.

## **CEDC By-Laws:**

Mr. Tucker reminded the Committee that Columbia County had originally created CEDC as a local development corporation under state law and reviewed the purpose and powers of an LDC.

He also informed the Committee that Mr. Campion, who has an ex-officio seat on the Board as President of Columbia-Greene Community College, expressed his preference to have a non-voting seat. Mr. Howard stated it should be confirmed that all ex-officio members preferred to be non-voting.

A general discussion followed with Mr. Jones suggesting that the IDA Chairman might be an exception due to their role in economic development. Mr. Tucker felt relationships were needed with County Planning, the Board of Supervisors, the Chamber of Commerce, HVADC and Columbia - Greene Community College. Mr. Tucker suggested the Committee consider electing two members to the Loan Committee who are not on the CEDC Board.

Mr. Howard stated the draft by-laws had been written with the best options in mind. He noted some specifics were left open, such as the number of Board members and the authority of the Loan Committee to approve loans to a certain dollar amount. He also suggested the title of Executive Director be changed to CEO and the title of President be changed to Chairman. Mr. Howard stated the Governance Committee would be responsible for new board member recruitment as well as policy guidance, suggesting the committee be a Governance and Nomination Committee.

Mr. Tucker asked that all comments be sent to him. He stated a draft of the by-laws would be sent to the full Board for the August meeting but he wanted the Committee's comments prior. Mr. Wood requested a meeting the following week in order to review the revisions suggested to the draft by-laws. Mr. Wood suggested Wednesday, August 19 for the next meeting.

## **Policies and Procedures Overview:**

Mr. Tucker stated he had been reviewing the current policies in response to the County's expressed concerns. He stated he had his intern prepare a spreadsheet for the past 5 years showing resolutions passed, including loans. He stated this spreadsheet would aid him in demonstrating if the Board had conflicts with the loan recipients or other involved parties. He noted going forward the Board would be informed of the loan applicant early enough to allow the Board member to determine if a conflict exists with a loan application. Mr. Wood asked if the principal's names could be given as well as the corporate name, in order to do a thorough search.



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Mr. Tucker stated a spreadsheet had been done for all vendors and after review, it showed no conflicts of interest. He said he would be review all loans turned down by CEDC to see if any additional policies or procedures should be implemented. He stated the interest rate on the SBA loans had been questioned. He informed the Committee the interest rate was governed by SBA regulations, which had been followed by staff.

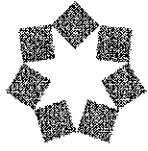
Mr. Tucker addressed Supervisor Bassin's question of 8 loans showing no payments in a letter to the ABO. He noted that 5 of those loans had closed within 30 days of the ABO's report thus not having reached their first payment due date. He stated the other 3 were grants with recapture provisions.

He informed the Committee the annual SBA review had gone well and thanked Ms. Lane.

He stated he was working with Ms. Wilber on transparency with the postings on the website, as well as the meeting minutes.

With no further business to come before the committee, Mr. Wood called for a motion to adjourn the meeting. *A motion was made by Mr. D. Fingar, seconded by Ms. Sterling to adjourn the meeting. Carried. The meeting was adjourned at 9:45am.*

*Respectfully submitted by Lisa Drahushuk*



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**MINUTES**  
**COLUMBIA ECONOMIC DEVELOPMENT CORPORATION**  
**GOVERNANCE COMMITTEE**  
**Wednesday, August 19, 2015**  
**4303 Route 9**  
**Hudson, New York**

A regularly scheduled meeting of Columbia Economic Development Corporation's (CEDC) Governance Committee was held at their offices located at 4303 Route 9, Hudson, NY 12534 on August 19, 2015. The meeting was called to order at 8:36 am by Scott Wood, Committee Chair.

Attendee Name	Title	Status	Arrived
David Fingar	Committee Member	Present	
Tony Jones	Committee Member	Present	
Sarah Sterling	Committee Member	Present	
Scott Wood	Committee Chair	Present	
F. Michael Tucker	Interim Executive Director	Present	
Andy Howard	Council	Excused	
Lisa Draushuk	Administrative Supervisor	Present	
Erin McNary	Bookkeeper	Present	
Carol Wilber	Marketing Director	Present	
Katie Kocijanski.	Reporter Register Star	Present	

Mr. Tucker informed the Committee the CEDC portion of the Ginsberg project had closed the previous Tuesday and the IDA was reviewing the closing documents and he anticipated the IDA closing would be held later in the week. He noted a press release would be distributed thereafter.

Mr. Tucker stated the last meeting with the Columbia County Board of Supervisors Economic Development Committee had gone well, and he was optimistic the corporation was moving in the right direction. He noted there was an additional request for information he was currently gathering. He stressed the by-law amendments gave the County concrete evidence of the corporation's intention to move forward in a more transparent direction. He felt one or two more committee meetings would be required prior to submitting the by-laws for approval by the full board.

**CEDC Draft By-Law Review:**

The Committee began a review of the revised draft bylaws circulated by Mr. Howard, following last week's meeting.



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Article I Section 3: Mr. Jones suggested simplifying and structuring the section to follow with the Mission Statement that had been adopted at the Board Retreat in June. There was also concern that the formal language and the broad scope of the section might obligate CEDC to undertake all of the listed purposes.

Mr. Tucker referred to Mr. Howard's email list of changes to the draft by-laws.

The first was Article II Section 1. Mr. Howard had replaced the word *acceptance* with the word *receipt*. Mr. Jones felt the term *Voting Members* was unclear and suggested the term be replaced by *Members* in Article II and replaced with *Directors* in the rest of the document. He suggested an alternative passage; "The Voting Members shall be the Members of the Corporation that have been elected to and serving on the Board of Directors pursuant to Article III hereof. The Corporation shall be managed by its Board of Directors in accordance with the provisions contained herein."

Article III Section 2(a)(i); Mr. Howard added a provision stating Ex Officio members will be non-voting Board members. The Committee discussed and recommended that the Board consist of 17 Voting Board members and 3 non-voting Ex Officio members, The Chairman of the Board of Supervisors, the President of Columbia Greene Community College and the Chairman of the Columbia County Industrial Development Agency.

The Committee also recommended that the Governance Committee be changed to a Governance and Nominating Committee. This Committee would have the responsibility of vetting and nominating candidates for the Board, nominating slates of the Officers for approval at the annual organizational meeting which would be the first meeting of each year.

Article III, Section 15/16; Mr. Jones suggested verbiage be added to specify that Board members (excluding Ex Officios) are expected to serve on at least one committee. He also suggested under attendance, "a provision be that if a director misses 3-4 consecutive meetings, the Governance Committee is required to make a determination of whether such person remains in a position to fulfill board responsibilities or should be asked to resign"

Article VIII, Section 2: Ms. Sterling noted the Secretary was not listed as able to sign checks.

Mr. Tucker stated he would draft the changes and send a revised annotated draft of the by-laws to the Board for their review prior to the full Board meeting on August 25<sup>th</sup>.

With no further business to come before the committee, Mr. Wood called for a motion to adjourn the meeting. *A motion was made by Mr. Jones, seconded by Ms. Sterling to adjourn the meeting. Carried. The meeting was adjourned at 9:50am.*

*Respectfully submitted by Lisa Draushuk*



**MINUTES**  
**COLUMBIA ECONOMIC DEVELOPMENT CORPORATION**  
**GOVERNANCE COMMITTEE**  
**Wednesday, September 2, 2015**  
**4303 Route 9**  
**Hudson, New York**

A regularly scheduled meeting of Columbia Economic Development Corporation's (CEDC) Governance Committee was held at their offices located at 4303 Route 9, Hudson, NY 12534 on September 2, 2015. The meeting was called to order at 8:05 am by Scott Wood, Committee Chair.

Attendee Name	Title	Status	Arrived
David Fingar	Committee Member	Present	
Tony Jones	Committee Member	Present	
Sarah Sterling	Committee Member	Present	
Scott Wood	Committee Chair	Present	
F. Michael Tucker	Interim Executive Director	Present	
Andy Howard	Council	Present	
Lisa Drahushuk	Administrative Supervisor	Present	
Erin McNary	Bookkeeper	Present	
Carol Wilber	Marketing Director	Present	

**CEDC Draft By-Law Review:**

Mr. Howard handed out copies of the most recent version of the draft by-laws. He turned the Committee's attention to Article I, Section 3. (a) The Committee suggested the passage read as follows: *The Corporation is incorporated and shall be operated for the exclusive charitable or public purposes of promoting and providing for additional employment opportunities; encouraging and aiding the expansion of local businesses and the attraction of new businesses; enlarging and diversifying the county's tax base; lessening the burdens of government; while acting to preserve the unique character of Columbia County and its attractiveness to business and employees; and otherwise acting in the public interest to strengthen the local economy.*

Article II Section 1. The committee reviewed the current draft and felt it needed no further changes.

Article II Section 3. The Annual Corporate Members meeting was discussed. Mr. Tucker clarified for the Committee that a Corporate Members meeting would be held in October or early November of this year in order to ratify the proposed by-laws. In January the annual Board members meeting would be held. This would be to elect officers of the Board and address any other organizational requirements. He stated the Annual corporate Members meeting would then be held in March or



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within 6 months of the first of the year. This meeting would elect members to the Board, present the annual audited financials and the annual report to the corporation Members as well as any other corporate business.

Article II Section 4 C. Mr. Jones requested the report to the Columbia County Economic Development Committee be made quarterly and not monthly.

Article II Section 5. Mr. Howard stated wording was added to follow the public meeting law. Ms. Sterling suggested the word consent be changed to request in the second sentence.

Article II Section 9. Mr. Wood suggested the option of video conference be removed, citing the cost to the corporation.

Article II Section 10. Ms. Sterling asked "Member" be changed to "Members".

Article III Section 2 a. Mr. Howard stated the number of Board members would be 17, which would not include the ex-officio members. Ms. Sterling requested wording be added making the designees of the ex-officio's non-voting in Section 2 a i.

Article III Section 3. The Committee discussed listing the causes for Board Member removal. After some deliberation the Committee decided against listing specific causes.

Article III Section 13. The committee discussed requiring a super majority for certain actions of the Board requiring a vote. The Committee decided to follow the County Board of Supervisors and require a simple majority.

Article IV. Mr. Jones requested all the Committees members be appointed by the chair annually for consistency

Article VIII Section 1 and 2, be changed to obtain authorization for contract execution and execution of checks and drafts via resolution, not through the by-laws.

Mr. Tucker asked Mr. Howard to make the suggested changes. He noted the draft by-laws would then be sent to the Governance and Nomination Committee and the chair of the Board of Supervisors Economic Development Committee for comment. He suggested the Governance and Nomination Committee review the draft by-laws one more time prior to the September 29, CEDC Board meeting.

With no further business to come before the committee, Mr. Wood called for a motion to adjourn the meeting. *A motion was made by Mr. D. Fingar, seconded by Mr. Jones to adjourn the meeting. Carried. The meeting was adjourned at 9:06am.*

*Respectfully submitted by Lisa Drahushuk*



## Draft CEDC CODE OF ETHICS

This Code of Ethics shall apply to all Directors and employees of the Columbia Economic Development Corporation. These policies shall serve as a guide for official conduct and are intended to enhance the ethical and professional performance of the corporation's directors and employees and to preserve public confidence in the corporation's mission.

### **Responsibility of Directors and Employees:**

1. Directors and employees shall perform their duties with transparency, without favor and refrain from engaging in outside matters of financial or personal interest, including other employment, that could impair independence of judgment, or prevent the proper exercise of one's official duties.
2. Directors and employees shall not directly or indirectly, make, advise, or assist any person to make any financial investment based upon information available through the director's or employee's official position that could create any conflict between their public duties and interests and their private interests.
3. Directors and employees shall not accept or receive any gift or gratuities where the circumstances would permit the inference that: (a) the gift is intended to influence the individual in the performance of official business or (b) the gift constitutes a tip, reward, or sign of appreciation for any official act by the individual. This prohibition extends to any form of financial payments, services, loans, travel reimbursement, entertainment, hospitality, thing or promise from any entity doing business with or before the corporation.
4. Directors and employees shall not use or attempt to use their official position with the corporation to secure unwarranted privileges for themselves, members of their family or others, including employment with the corporation or contracts for materials or services with the corporation.
5. Directors and employees must conduct themselves at all times in a manner that avoids any appearance that they can be improperly or unduly influenced, that they could be affected by the position of or relationship with any other party, or that they are acting in violation of their public trust.
6. Directors and employees may not engage in any official transaction with an outside entity in which they have a direct or indirect financial interest that may reasonably conflict with the proper discharge of their official duties.
7. Directors and employees shall manage all matters within the scope of the corporation's mission independent of any other affiliations or employment. Directors, including ex officio board members, and employees employed by more than one government shall strive to fulfill their professional responsibility to the corporation without bias and shall support the corporation's mission to the fullest.

8. Directors and employees shall not use corporation property, including equipment, telephones, vehicles, computers, or other resources, or disclose information acquired in the course of their official duties in a manner inconsistent with State or local law or policy and the corporation's mission and goals.
9. Directors and employees are prohibited from appearing or practicing before the corporation for two (2) years following employment with the corporation, consistent with the provisions of Public Officers Law.

### **Implementation of Code of Ethics**

This Code of Ethics shall be provided to all directors and employees upon commencement of employment or appointment and shall be reviewed annually by the Governance Committee. The board may designate an Ethics Officer, who shall report to the board and shall have the following duties:

- Counsel in confidence Authority directors and employees who seek advice about ethical behavior.
- Receive and investigate complaints about possible ethics violations.
- Dismiss complaints found to be without substance.
- Prepare an investigative report of their findings for action by the Executive Director or the board.
- Record the receipt of gifts or gratuities of any kind received by a director or employee, who shall notify the Ethics Officer within 48 hours of receipt of such gifts and gratuities.

## **Draft CONFLICT OF INTEREST POLICY**

All Board Members and employees should be provided with this Conflict of Interest Policy upon commencement of employment or appointment and be required to acknowledge that they have read, understand and are in compliance with the terms of the policy. Board members and employees should review on an ongoing basis circumstances that constitute a conflict of interest or the appearance of a conflict of interest, abide by this policy and seek guidance when necessary and appropriate.

This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to public authorities.

### **Conflicts of Interest:**

A conflict of interest is a situation in which the financial, familial, or personal interests of a director or employee come into actual or perceived conflict with their duties and responsibilities with the Corporation. Perceived conflicts of interest are situations where there is the appearance that a board member and/or employee can personally benefit from actions or decisions made in their official capacity, or where a board member or employee may be influenced to act in a manner that does not represent the best interests of the corporation.

The perception of a conflict may occur if circumstances would suggest to a reasonable person that a board member may have a conflict. The appearance of a conflict and an actual conflict should be treated in the same manner for the purposes of this Policy. Board members and employees must conduct themselves at all times in a manner that avoids any appearance that they can be improperly or unduly influenced, that they could be affected by the position of or relationship with any other party, or that they are acting in violation of their public trust. While it is not possible to describe or anticipate all the circumstances that might involve a conflict of interest, a conflict of interest typically arises whenever a director or employee has or will have:

- A financial or personal interest in any person, firm, corporation or association which has or will have a transaction, agreement or any other arrangement in which the authority participates.
- The ability to use his or her position, confidential information or the assets of the authority, to his or her personal advantage.
- Solicited or accepted a gift of any amount under circumstances in which it could reasonably be inferred that the gift was intended to influence him/her, or could reasonably be expected to influence him/her, in the performance of his/her official duties or was intended as a reward for any action on his/her part.
- Any other circumstance that may or appear to make it difficult for the board member or employee to exercise independent judgment and properly exercise his or her official duties.

**Outside Employment of Authority's Employees:**

No employee may engage in outside employment if such employment interferes with his/her ability to properly exercise his or her official duties with the corporation.

**PROCEDURES****Duty to Disclose:**

All material facts related to the conflicts of interest (including the nature of the interest and information about the conflicting transaction) shall be disclosed in good faith and in writing to the Governance and Nominating Committee and/or the Ethics Officer. Such written disclosure shall be made part of the official record of the proceedings of the corporation.

**Determining Whether a Conflict of Interest Exists:**

The Governance and Nominating Committee and/or Ethics Officer shall advise the individual who appears to have a conflict of interest how to proceed. The Governance and Nominating Committee and/or Ethics Officer should seek guidance from counsel or New York State agencies, such as the Authorities Budget Office, State Inspector General or the Joint Commission on Public Ethics (JCOPE) when dealing with cases where they are unsure of what to do.

**Recusal and Abstention:**

No board member or employee may participate in any decision or take any official action with respect to any matter requiring the exercise of discretion, including discussing the matter and voting, when he or she knows or has reason to know that the action could confer a direct or indirect financial or material benefit on himself or herself, a relative, or any organization in which he or she is deemed to have an interest. Board members and employees must recuse themselves from deliberations, votes, or internal discussion on matters relating to any organization, entity or individual where their impartiality in the deliberation or vote might be reasonably questioned, and are prohibited from attempting to influence other board members or employees in the deliberation and voting on the matter.

**Records of Conflicts of Interest:**

The minutes of the corporation's meetings during which a perceived or actual conflict of interest is disclosed or discussed shall reflect the name of the interested person, the nature of the conflict, and a description of how the conflict was resolved.

**Reporting of Violations:**

Board members and employees should promptly report any violations of this policy to his or her supervisor, or to the corporation's ethics officer, general counsel or human resources representative in accordance with the corporation's Whistleblower Policy and Procedures.

**Penalties:**

Any director or employee that fails to comply with this policy may be penalized in the manner provided for in law, rules or regulations