

MINUTES OF MEETING HELD FEBRUARY 1, 2012

**THE MEMBERS OF THE BOARD OF DIRECTORS OF THE
WARREN COUNTY LOCAL DEVELOPMENT CORPORATION**

A meeting of the Members of the Board of Directors of the above-captioned Corporation was held on February 1, 2012, pursuant to the Notice of Meeting erroneously dated February 1, 2012 and sent January 20, 2012, at 2:30 p.m., in the Board Room.

The meeting was called to order by Harold G. Taylor, Chairman of the Warren County Local Development Corporation, at 2:43 p.m..

The following Directors were present:

Harold G. Taylor
Frederick H. Monroe

Peter V. McDevitt
William Mason

The following Directors were absent:

Eugene Merlino
Franklyn J. McCoy, Jr.

Fred Champagne

Others present:

Justin Miller, Esq., Harris Beach PLLC
Victoria Pratt-Gerbino, EDC President
Jennifer Switzer, LDC Treasurer
Daniel G. Stec, Chairman of the Board of Supervisors
Evelyn Wood, Supervisor
Frank Thomas, Supervisor
David Strainer, Supervisor
Ronald Conover, Supervisor
Paul Dusek, County Administrator
Martin D. Auffredou, Warren County Attorney
Patricia Tatich, Planning & Community Development
Wanda Smith, Confidential Secretary to the County Administrator
Blake Jones, *The Post Star*
John Wheatley, Vice President, EDC
Thom Randall, Adirondack Journal

Chairman Taylor called the regular meeting to order. He asked for a resolution to approve the minutes of the last meeting. Ms. Switzer informed that the minutes were not ready yet, because the resolution needed to be embedded within the minutes. Mr. Dusek advised that everything that was done at the last meeting is currently in effect. All resolutions were adopted. Chairman Taylor stated that the minutes will be approved at the next meeting.

Chairman Taylor continued with the agenda regarding authorizing the administrative services agreement with Warren County. Chairman Taylor asked if there were any concerns regarding the Economic Development and Grant Administration Agreement between Warren County and the LDC, and in particular, inquired if Martin Auffredou had reviewed the agreement. Discussion ensued.

Following the discussion, Director Monroe motioned to approve the resolution and then Mr. Auffredou stated that the motion would be to approve the Economic Development and Grant Administration Agreement and authorize the execution thereof as presented with the following four changes or additions: 1) in item 2b(iii), add language to the effect that in addition the County and LDC may agree that the LDC shall serve as a subrecipient for housing, local waterfront, repairs, or other grants provided the County provides sufficient County planning staff to administer those grants; 2) paragraph 4 would become 3 and the monthly installment of \$4,166.16 would be changed to \$4,166.66; 3) a new paragraph 3c would be added to reflect additional compensation, if necessary, to be paid to the LDC should the LDC be requested and accepted the responsibility of the other programs, as has been outlined previously; and 4) add “, except as provided in 2b(iii)” to the first paragraph on the second page.

Mr. Dusek wanted to clarify that if the Corporation were to be a subrecipient to a grant, it needed to be clarified that it could be a participant, subrecipient or otherwise involved in the administration of a grant. He wanted to leave this as open as possible so that the County could continue the relationship between the LDC and the Planning Department like we always had before.

Chairman Taylor then stated there was a motion on the table (to approve the agreement), and asked for a second. Director McDevitt seconded. The following motion was unanimously carried.

RESOLVED, that the Warren County Local Development Corporation (“LDC”) hereby authorizes the Economic Development and Grant Administration Agreement with Warren County for a term commencing January 1, 2012 and terminating December 31, 2012, in an amount of Fifty Thousand Dollars (\$50,000) payable from Warren County to the LDC, with the following amendments:

1) In item 2b(iii), add language that in addition the County and LDC may agree that the LDC shall serve as a participant, subrecipient or otherwise be involved in the administration of grants for housing, local waterfront, repairs, or other grants provided the County provides sufficient County planning staff to administer those grants;

2) Paragraph 4 becomes paragraph 3 and the monthly installment of \$4,166.16 is changed to \$4,166.66;

3) A new paragraph 3c would be added to reflect additional compensation, if necessary, to be paid to the LDC should the LDC be requested to and accept the responsibility of other programs; and

4) Add “, except as provided in 2b(iii)” to the first paragraph on the second page

, and be it further

RESOLVED, that the Chairman of the Warren County Local Development Corporation be, and hereby is, authorized to execute the Economic Development and Grant Administration Agreement in accordance with the terms resolved herein above.

Chairman Taylor continued the agenda regarding the Keena Contract and stated there were some concerns which he had previously spoken to Mr. Auffredou and Mr. Dusek regarding. Mr. Dusek then outlined his concerns and Mr. Auffredou echoed Mr. Dusek's comments and added that he did not understand why the agreement was so voluminous. He also expressed his concern regarding the termination rights, power of attorney clause, and an issue with wage of hour compliance. Discussion ensued.

Chairman Taylor asked Mr. Auffredou to work addressing these contract issues into his schedule. Vicki Gerbino agreed to set up this meeting as soon as possible and to contact Mr. Auffredou to arrange.

Chairman Taylor continued with the agenda regarding the financials. Ms. Switzer advised that she did not have any LDC financials at this time, but did want to alert the members that she would be meeting the following day with Catherine Hudy, who had finished and will have a draft of the loan portfolio audit. Once she had information on that, she would be in a position to present some of that information.

Mr. Dusek mentioned that some thought should be given as to how they were going to structure the accounting between the various programs that the LDC would be involved in. Ms. Switzer advised that there currently are separate bank accounts, and they can set up separate projects or classes within that accounting structure so you could clearly see those specific programs on a day-to-day basis. Ms. Gerbino stated that they would like to make somewhat of a clean break. She further stated that since there are already separate accounts established and some of them are open without any money in them, she would propose to move the funds that are economic development, nothing to do with community development projects or housing projects, into one account and the other programs that are the responsibility of the County Planning Department into a separate account, so that the Planning Department would only have access.

Chairman Taylor continued with the agenda with regard to the 2012 Budget. Ms. Switzer stated her concerns regarding the budget were covered by Mr. Dusek's clarification regarding any additional grant programs.

Chairman Taylor inquired regarding an email Ms. Switzer received from Jamie White regarding two individuals who had taken part in a class through SUNY Adirondack, who have requested reimbursement from the LDC. Ms. Switzer stated she was not aware of any documents or any past practice where the Board had agreed to reimburse individuals who were taking entrepreneur classes. Ms. Tatich stated she believed assistance was only for training they provided, and not for any additional SUNY courses. Ms. Switzer had a telephone conversation with one of the individuals, who had inquired as to when they could expect reimbursement. Ms. Switzer inquired regarding how to respond to these individuals. Discussion ensued. Director Monroe stated that he doubted these individuals were entitled to any reimbursement unless they had some agreement which stated otherwise. He further stated that he believed it should be requested of the individuals to supply whatever agreement they may have. Chairman Taylor concurred with this idea and did not

have a problem with sending a letter. Ms. Switzer stated she would call and get the addresses for both individuals.

Ms. Gerbino stated that new lending guidelines will need to be reviewed and approved. She asked if another meeting of the LDC could be scheduled within a few weeks time to review and adopt the lending guidelines, as well as review the portfolio and address any loans that have not had anything done with them. Chairman Taylor requested Ms. Gerbino to email the draft guidelines to everyone. Discussion ensued. Chairman Taylor scheduled the next LDC meeting for Friday, February 17th, at 9:00 a.m.

Chairman Taylor inquired if there was any further business. Ms. Gerbino advised there was one more item. The invoice from Harris Beach for an additional amount of money needed to be approved by the Board. Chairman Taylor stated that in the December meeting, the Board approved Harris Beach as counsel and approved \$7,500 to complete the transition, but was recently advised that the final bill was \$9,000. Mr. Miller stated that more work was needed than anticipated with the contract and some additional work on the OCR grant that was declined. Director McDevitt inquired if the \$20,000 in the budget for legal services was going to be enough. Mr. Miller advised he believed it would be enough. Chairman Taylor advised that the County Attorney's office has offered to use his staff to continue to assist the LDC. He further stated that he believed the agreement with Harris Beach was still okay and would still use Mr. Miller's services, as needed, but believed the ability to use the County Attorney's office would help stay within the \$20,000 that was budgeted. Director Monroe inquired if this was how things were handled for the LDC in the past. He stated that he thought it made sense. Ms. Switzer mentioned that the only other outside counsel fees would be for the loan closings. Mr. Auffredou stated that he and Ms. Nennering would be able to provide general counsel services on day-to-day matters, but believed there would be times on more complex matters where the services of Mr. Miller would be needed.

Chairman Taylor stated there was a motion on the floor to pay the invoice to Harris Beach. Director Monroe stated he would like more explanation regarding the invoice. He believed the amount was fairly large. Mr. Miller gave a detailed explanation of the work performed. Director Monroe approved the motion, but stated the Board should try to minimize these fees going forward. Director McDevitt concurred with Director Monroe. Director Mason abstained. Chairman Taylor approved. The following motion was carried.

RESOLVED, that the Warren County Local Development Corporation hereby authorizes the payment of Nine Thousand Dollars (\$9,000) to Harris Beach PLLC for legal services.

Chairman Taylor advised the next meeting is scheduled for February 17th, at 9:00 a.m.

Director McDevitt made a motion to end the meeting, seconded by Director Mason. Motion carried unanimously.

Meeting ended at 3:32 p.m.

Dated: Feb. 17, 2012


Peter McDevitt, Secretary