

## MINUTES OF MEETING HELD APRIL 25, 2016

### 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 Warren County Local Development Corporation (LDC) was held on April 25, 2016 at 11:45 a.m. in the Committee Room at the Warren County Municipal Center, pursuant to the Notice of Meeting emailed April 19, 2016.

The meeting was called to order by Peter McDevitt, Chairman of the Warren County Local Development Corporation at 11:57 a.m.

The following Directors were present:

Peter McDevitt	Eugene Merlino
Matthew Simpson	Frank Thomas
Craig Leggett	

The following Directors were absent:

Others Present:

Ed Bartholomew, CEO, Warren County Local Development Corporation  
Kevin B. Geraghty, Chairman, Warren County Board of Supervisors  
John Strough, Warren County Supervisor  
Dennis Dickinson, Warren County Supervisor  
Amy Bartlett, Warren County Assistant Attorney  
Kristy Miller, Confidential Secretary to the County Administrator

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Chairman McDevitt called the meeting to order and defers to Mr. Bartholomew for an explanation on the contract for professional services. Mr. Bartholomew advises that Reliable Racing has filed a Chapter 11 for reorganization principally due to the impact from the lack of winter. He explains that last year the LDC issued a line of credit for up to \$100,000 for Reliable Racing to undertake and manufacture pieces and components of ski poles and breakaways and during that time TD Bank agreed to subordinate their mortgage to the LDC mortgage, in turn, giving the LDC a 1<sup>st</sup> lien position. Mr. Bartholomew continues to explain that he was disappointed that Reliable Racing along with its attorney did not reach out to the LDC prior to the bankruptcy filing. He apprises that the LDC was notified the day before the bankruptcy proceeding by the LDC counsel, McPhillips, Fitzgerald & Cullum, LLP, that they were unable to handle the bankruptcy; however, the LDC reached out to Harris Beach, PLLC to appear on its behalf during the bankruptcy proceeding. He states that in May there will be a meeting with the Creditors as well as the Debtor to discuss collateral and to conduct an accounting of assets. He advises that a law firm that is familiar with bankruptcy proceedings would be needed for representation of the LDC's \$100,000 line of credit, but indicates that the firm is aware that the LDC is not interested in expending the \$100,000 in legal fees. He explains that for consideration by the Board, is a contract for professional services offered by Harris Beach, PLLC for representation during the bankruptcy proceeding and indicates that at the next Board Meeting a status would be provided of the pros and cons of how to proceed. He reiterates that he does not

anticipate expending a substantial amount of money prior to the next meeting and will find out more after the meeting with the Creditors and Debtor.

Director Merlino defers to Ms. Bartlett for approval of the contract for professional services with Harris Beach, PLLC. Ms. Bartlett indicates that she would like an opportunity to discuss the contact with Mr. Bartholomew following the meeting.

Chairman McDevitt asked for a motion to approve the Engagement Letter for Legal Services between Harris Beach, PLLC and the Warren County Local Development Corporation ("LDC"). Motion made by Director Simpson and seconded by Director Merlino. The following motion was unanimously carried:

RESOLVED, that the Warren County Local Development Corporation ("LDC") hereby approves the Engagement Letter for Legal Services between Harris Beach, PLLC and the Warren County Local Development Corporation ("LDC"), and the Chairman of the Warren County Local Development Corporation be, and hereby is, authorized to execute any and all documents as may be necessary to carry out this resolution.

Chairman McDevitt continued with the agenda regarding the review of loan status and indicates that an executive session would be necessary for the purpose of discussing certain unnamed creditors. Motion made by Director Simpson and seconded by Director Merlino. The motion carries unanimously.

Executive session was declared from 12:05 p.m. to 12:13 p.m.

Committee reconvened and Chairman McDevitt stated no action was taken in Executive Session.

Mr. Bartholomew explains that Phil Morse, founder of the North American Medical Instrument Corporation will be attending the EDC (Economic Development Corporation) luncheon and advises that he holds the patent on the Morse Manifold, which is used in 70% of all the catheterizations in the Country. He further explains that three or four children from the local School Districts will be invited to the luncheon to listen to Mr. Morse's story as well as the announcement of three awards being offered to young local business owners.

As there was no further business to come before the LDC Board, motion was made by Director Merlino to adjourn the meeting, seconded by Director Simpson, and carried unanimously.

Chairman McDevitt adjourned the meeting at 12:18 p.m.

Dated: May \_\_\_\_, 2016

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Frank Thomas, Secretary