

LDC – Minutes July 7, 2005

Bolton Local Development Corporations

Present: Ron Alcan, Scott Andersen, Richard Bartlett, Buck Bryan, Alexander G. Gabriels III, Jason Saris, Maureen Donovan (WCEDC) and Len Fosbrook (WCEDC).

Absent: LDC Counsel Michael Muller

REGULAR MEETING

Z. Gabriels called the regular meeting to order at 4:33 pm.

**EXECUTIVE SESSION: None**

**ANNOUNCEMENTS:**

- Even though there may be three (3) or more Town Board Members in attendance at the LDC meetings, the NYS Open Meetings Law bars members from discussion and certainly deciding any Town Business. Z. Gabriels said the LDC meetings are for LDC issues only.

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**PUBLIC IN ATTENDANCE:**

From the public, Robin Smith said she is confused on the charter for the LDC and the businesses that will be provided. B. Bryan said the charter is provided by the Department of State under municipal law and he would provide that to Ms. Smith. Robin Smith asked if the creation of the LDC was solely for the Norowal Acquisition and R. Bartlett answered by saying yes, that is his understanding and Z. Gabriels said to this point, there have been no assets to the LDC. Robin Smith asked (1) who governs the LDC and (2) if there is a term of appointment and Z. Gabriels answered by saying (1) there are five individual LDC Members comprised of Ronald Alcan, Richard Bartlett, Buckley Bryan, Jr., Supervisor Zandy Gabriels and Councilman Jason Saris and (2) there are not lifetime appointments.

Robin Smith asked if stock ownership is available to LDC Members and R. Bartlett answered by saying (1) no, LDC Members cannot buy stock and (2) the LDC is a public benefit corporation. J. Saris said (1) the Town of Bolton cannot purchase Norowal Marina by purchasing stock, which is how Mr. Lamb wishes to sell the marina and (2) the LDC, as a corporation, not as individual LDC Members, can purchase the stock of Norowal and then the BLDC intends to dissolve the corporation and run the marina. Z. Gabriels said there is no financial benefit to anyone on the LDC Board.

Robin Smith asked if there is a business plan for the operation, because it seems like the scope of operations is creeping up from what she thought the original plan was, with operational additions. R. Bartlett said (1) there have been no operational additions and (2) the plan has always been to operate at a profit so it is not a public burden. Robin Smith said from a personal perspective, (1) it seemed the plan with launching, docking and parking were more recreational activities and more likely to be run by the Town and (2) now it looks like more things are being added on to the marina operations like selling gas and a retail store. R. Bartlett said (1) the LDC is undecided on whether it will or will not sell gas, (2) there will be no retail boats, used boats, or boat rentals, (3) no repairs or maintenance and (4) there may be a small marine supplies store. J. Saris said (1) there are different reasons for different aspects of operations, (2) the LDC is trying to make the business plan as simple as possible in order to break even, (3) while several different operational options have been discussed by the LDC, nothing has been voted on or finalized, (4) the LDC feels a pump out is the right thing to do, (5) the sale of some marine goods would not be a profit-making deal, but would help smooth the flow of boats and may be added because it would be difficult to operate a launch without those items and reiterated that (6) lots of these items have been discussed, but not decided upon yet.

Robin Smith asked how the LDC will guarantee whether things will or will not take place and R. Bartlett answered by saying (1) there will be an operational plan generated by the LDC and reviewed by the State and (2) an operational agreement will have to be signed by the

LDC and the State. B. Bryan said (1) the decision of what will and will not take place will be decided by the Income and Expense Forms, which the LDC has been researching, (2) the LDC's interest is in breaking even, not in making money, (3) the LDC won't rush into anything and (4) he welcomes and any and all inquiries on the Norowal Acquisition to be brought to the LDC, as Ms. Smith did this afternoon, so the LDC can address any concerns Ms. Smith or anyone else may have.

Robin Smith said she is a marina owner and would like more information available to the public on the Norowal Acquisition. Z. Gabriels said (1) the LDC has drafted a Frequently Asked Question List, which, when finalized, will be distributed manually and/or electronically to the public and (2) the FAQ List is currently under review by all LDC Members and is to be discussed at the next LDC meeting on Thursday, July 7, 2005.

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**OLD BUSINESS:**

Regarding the financial plan, Z. Gabriels said (1) he met with Mike O'Connell of TD Banknorth and provided him with all the financials, (2) Mike O'Connell requested a 3-year financial history from the LDC, (3) he is hoping to receive a proposal from TD Banknorth by Thursday, July 14, 2005 and (4) the Town of Bolton currently maintains a relationship with TD Banknorth. R. Bartlett and B. Bryan agreed that daily deposits will need to be made, so TD Banknorth would be a viable option, as opposed to having someone have to travel out of town to make the deposits.

Regarding the agreement, provisions and deadline, Z. Gabriels said LDC Counsel notified him that Mr. Lamb has granted the requested 30 day extension applied for by the LDC.

Regarding the easements, this item is pending.

### **NEW BUSINESS:**

Regarding Glens Falls National Bank, Z. Gabriels said (1) David Kaiser is pressing for the LDC's signed letter of commitment for the \$2.5 million loan, (2) David Kaiser has requested a meeting of himself, Z. Gabriels, Bill Fitzgerald and LDC Counsel Michael Muller to discuss the Conservation Easement. R. Alcan said his understanding is that the Glens Falls National Bank proposal gave the LDC 90 days to commit. B. Bryan agreed and said (1) the commitment letter cannot be accepted in its current form, (2) some things need to be changed in the letter of commitment before signing it and (3) the LDC shouldn't push signing the letter until it has been further discussed and revised. R. Alcan and B. Bryan agreed the LDC should go with the recommended fixed rate for 20 years.

Regarding interim financing, Maureen Donovan said per David Kaiser, it is not necessary to proceed with the USDA wrap, so she hasn't moved forward with the application process. Len Fosbrook said if Glens Falls National Bank is willing to provide the additional financing, which would be a better option for the LDC.

B. Bryan said (1) Buddy Gates is willing to help, (2) Mike Wilkins is willing to help and has spoken to Dave Kaiser, (3) Mike Wilkins is very concerned with the NYSDEC and the position it is currently taking and (4) Mike Wilkins doesn't want the LDC to get stuck if the NYSDEC bails out.

B. Bryan asked what the LDC can do to get a commitment letter or statement from the NYSDEC guaranteeing the \$2 million if the appraisal comes in at \$2 million and Maureen Donovan answered by saying (1) the NYSDEC will get a letter to the Town or to the LDC, but cannot issue a statement before the appraisal is approved by the Attorney General and the Comptroller's Office and (2) the NYSDEC can work on the language of the statement and the conservation easement concurrently, but the conservation easement needs to be finalized. B. Bryan asked if LDC Counsel received all of the needed information to proceed and Z. Gabriels responded by saying LDC Counsel received some of the information and (2) LDC Counsel

requested by e-mail today that all LDC Members make sure any feedback they have on the conservation easement is submitted to LDC Counsel.

Regarding the NYSDEC Conservation Easement, Z. Gabriels said he has received no reply from Ron Montesi. Maureen Donovan said (1) the appraisal went out to bid this week and the process is in motion, (2) hard work is being done to get the 90 days dropped to 45 days for completion of the bid and appraisal and (3) John Keating is new counsel in the lands and forest division of the NYSDEC and is great and pro-active. B. Bryan said the LDC should meet as soon as possible with the NYSDEC and the appraisers to work on the appraisal together. Len Fosbrook said (1) there are certain conditions in place for the appraisal and (2) the assumption is that the appraisers will contact the LDC when and if they so desire and (3) it would be acceptable for the LDC to contact the appraisers to let them know of the LDC's availability to meet. Len Fosbrook said (1) the WCEDC will keep an eye on the appraisals and (2) he feels the LDC should focus on easement negotiations and finalization. Z. Gabriels said he is following up with LDC Counsel on the Conservation Easement situation. Len Fosbrook and Maureen Donovan agreed that (1) there is a need for the LDC to make contact with NYSDEC in Albany, (2) the LDC should request an Albany member of the NYSDEC be present at the Conservation Easement meeting and (3) the WCEDC is willing to contact and facilitate a meeting with the NYSDEC in Albany on behalf of the LDC.

Regarding projections and LDC Marina Plan, B. Bryan (1) said he and R. Alcan met on Tuesday, July 5, 2005 to revise the plan, (2) submitted copies to the LDC Members and (3) highlighted some suggested changes he and R. Alcan came up with, including, but not limited to (1) basic staffing to include a coordinator and parking personnel, (2) disposal of existing structures to allow for more parking, (3) selling gasoline, (4) leasing out the Marine Store, the Laundromat and the Showers and (5) leasing out a minimum of 50 dock spaces, slips at an average of \$3,000 each or whatever the market will bear. J. Saris said (1) there are gasoline insurance options other than being based on gross sales and (2) the LDC won't have the sale of gas to rental customers and needs to take that into account for revenue projections.

S. Andersen said (1) he told Mr. Lamb the LDC wants current storage customers to have first refusal on blocks of storage and Mr. Lamb was in agreement, and (2) Mr. Lamb said: (A) he would prefer to rent in blocks to marinas, but he will cater to individual storage as well, (B) the price should be by the square foot, (C) all people storing boats will be responsible for bringing their own locks and stands, (D) the liquidation is going well and (E) he needs direction from the LDC regarding pricing (commercial vs. individual rate), number of spaces, selling stands, etc. R. Bartlett (1) said he endorses Mr. Lamb's ideas and (2) asked if the stands are sellable and S. Andersen answered yes, definitely. J. Saris said (1) the LDC should make the stands available to those who will get dock space only, (2) selling the stands takes care of liability and (3) stands are an additional expense for customers to have to buy from another source. R. Bartlett asked if the proposed boat winterization and winter storage procedures would only be for the 2005-2006 season and S. Andersen answered yes. Z. Gabriels said (1) out of the 180 spots available, the LDC needs to take out 25 for the NYSDEC and (2) the LDC also needs to consider winter lake access. J. Saris said the LDC also needs to consider the potential room needed in Spring 2006 for any possible work on site.

All LDC Members agreed that anyone storing a boat there will need to have their own insurance on their boats and need to sign a hold-harmless agreement against the marina and the LDC. S. Andersen and J. Saris agreed to research the storage inquiries and report their findings and suggestions to all other LDC Members on Monday, July 11, 2005 for discussion and decision.

Regarding Certificates of Insurance, Z. Gabriels said to date the LDC has received one certificate of insurance from Performance Marine and more are expected, as 23 marinas were notified by letter.

**COMMITTEE REPORTS:**

Saris: None

Alcan: None

Bartlett: None

Bryan: B. Bryan provided his Weekly Report to all LDC Members and Town Board Members in attendance.

B. Bryan submitted a copy of the letter dated July 2, 2005 from Buzz Lamb to his customers regarding boat winterization and boat storage procedures into the record and gave copies to all LDC Members.

Gabriels: None

**APPROVE PAYMENT OF LDC BILLS:**

There were no bills to pay.

Meeting adjourned at 5:31 pm.

Respectfully submitted by

Jennifer Torebka

Recording Secretary

07/14/05