

LDC – Minutes June 22, 2005

Bolton Local Development Corporations

Present: Ron Alcan, Scott Andersen, Buck Bryan, Alexander G. Gabriels III and Jason Saris

Absent: Richard Bartlett and LDC Counsel Michael Muller

REGULAR MEETING

Z. Gabriels called the regular meeting to order at 4:34 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.

-

**PUBLIC IN ATTENDANCE:**

Don Volkmann, from the public, asked when the information will be available to the public and marina employees, because he said (1) no information is being provided to employees by Walter F. Lamb or the LDC and (2) it seems like there is a lot under the table. B. Bryan responded by saying (1) the LDC gives Mr. Lamb information on a daily basis, (2) the current employer should provide information to employees, (3) the marina acquisition and marina positions by the LDC have not been advertised yet, because the LDC is not super close to a purchase and (4) no interviewing for employment will be done until after Labor Day. R. Alcan said the LDC has not nailed it down yet.

Susan Volkmann, from the public, asked if the LDC has a commitment and J. Saris said (1) the LDC can't commit to anything until it receives a firm commitment from a lender and the state, (2) the lending depends on a state commitment and (3) the LDC has not yet been able to determine the state appraisal. Susan Volkmann asked for the LDC to give a guesstimate as to a closing timeframe and J. Saris answered by saying (1) the LDC has been told from one state person that it will be six weeks and from another state person that it will take months, (2) the LDC is trying to speed the state appraisal process up and (3) it is far from a done deal and the LDC cannot offer certain jobs until it is a done deal. Susan Volkmann asked who does the state appraisal and who hires the appraiser and B. Bryan responded by saying (1) it is a private appraiser that the state hires and (2) the state has not hired an appraiser yet. J. Saris said in addition to state funding, the LDC has also been looking for intermediary financing as an option. Susan Volkmann asked if the LDC expects to have the marina pay for itself through revenues like fees and J. Saris said yes. B. Bryan said the whole acquisition is absolutely reversible if it falls through and R. Alcan said every 30 days that goes by the interest rate goes up.

Don Volkmann asked who is actually buying the marina and B. Bryan answered by saying (1) the Bolton LDC (Land Development Corporation), which was established by Town of Bolton law and is a non-profit organization will be, (2) the Town of Bolton can't buy stock, which is what this acquisition entails, but the 5 Board Members of the LDC can buy stock and the corporation.

Susan Volkmann said the present LDC plans show the marina will run in the black based on studies and asked who will pay the money if the LDC marina is not in the black. J. Saris said (1) if the marina is not run to generate money, then the LDC would have to raise money and some possible options could include; (A) raise rates to cover funding, (B) ask the Town of Bolton for a loan, which would need to be approved and/or (c) ask the state for more funding and (2) right now, there is no route for the LDC to use tax-payer money.

Don Volkmann asked if the marina positions would be all part-time with no benefits and J. Saris answered by saying (1) one thing the LDC did talk about is to streamline the marina operation, (2) the LDC is looking at setting up an operation that will work far into the future, (3) Mr. Lamb's current model, which works, will be hard to duplicate, but may be used as a management model and (4) the LDC does not know what management model it will take to run the marina, but the LDC will need some off-season help and has referred the matter to LDC Counsel. Susan Volkmann asked if that means there would be two part-time employee positions and J. Saris responded by saying no, not necessarily. B. Bryan said (1) his personal feeling is that 2,080 hours per year (40 hours per week for 52 weeks) is full-time and anything less would constitute part-time and (2) what has gone on in the past at the marina may not be what works in the future.

Don Volkmann asked if he puts an application in now, if that would mean he could expect an answer in three to four months and B. Bryan responded by saying (1) yes, that is correct and (2) the LDC meets each week and the LDC position changes each week as situations change, as are reflected in the meeting minutes posted on the Town of Bolton websites. J. Saris said (1) another reason the LDC said it might not be doing anything regarding jobs is because of the awkwardness for people currently employed and looking for other employment at the same time and (2) the LDC may be in for a real education when it goes to fill any positions it needs to.

Susan Volkmann asked what the LDC plans to do with the current customers who rent dock spaces and B. Bryan answered by saying the LDC's feeling is to give first preference to current customers. J. Saris said (1) the LDC has already told Mr. Lamb that it would give current customers first preference and (2) there is a possibility that there may be new dock spaces too. Don Volkmann asked if the current policy will continue and B. Bryan said (1) yes and (2) in order for the state to get its appraisal to its value, the LDC will have to give the state some dock space. Susan Volkmann asked what the state will do with its dock space and B. Bryan answered by saying the state will dock conservation boats.

Don Volkmann asked what will happen if the LDC reaches the November 9, 2005 deadline and B. Bryan answered by saying (1) November 9, 2005 is a drop dead date and (2) if it gets to the November 9, 2005 date, then the LDC can ask for contract relief. R. Alcan said all the LDC is trying to do is something good for the Town of Bolton.

B. Bryan said financing will be 20 years at a fixed rate and after that, all the money generated goes to the Town of Bolton. Susan Volkmann asked who gets the money raised if the LDC is a non-profit and B. Bryan answered by saying that in his opinion, all of the money should go to the Town of Bolton. Susan Volkmann asked if that could be assured in the corporation charter and B. Bryan responded by saying (1) it is a public charter and (2) the process would entail the following; (A) someone passes a motion, (B) a discussion takes place, (C) someone says let's put it into parks, (D) it becomes part of the meeting minutes and (E) the LDC Board of Directors who pass the motion hope future Boards of Directors look at the minutes and keep the funds where they were intended to go. J. Saris said as a non-profit organization, the LDC will have to do something with the money raised and B. Bryan said this is a great thing the LDC is trying to do for the Town of Bolton.

R. Alcan asked if the Volkmanns think a \$.10 on each \$1,000.00 assessed for a time period of one or two years would be worth it as a tax-payer and Susan Volkmann answered by saying that for a year or

two it would be worth it, but it won't come undone, because it is rare that a tax is only imposed for a year or two. B. Bryan said this is different, since the LDC Board is made up of businessmen. Susan Volkmann said that as a tax-payer she would be agreeable to a tax raise of \$.10 per \$1,000.00 assessed for only one year.

The public hearing ended at this point with the LDC Board Members (1) thanking Don and Susan Volkmann for their attendance and concerns and (2) inviting the Volkmanns to attend future LDC Meetings, as they are public meetings with any future inquiries.

-

**OLD BUSINESS:**

-

Regarding Jarrett and Martin Engineering, Z. Gabriels said he received a phone call on Thursday, June 8, 2005 and was told Environmental Phase I was completed and he has not received any further communication on this matter.

Regarding the financial plan to Glens Falls National, TD Banknorth and Bank of America, this item is pending.

Regarding the agreement, provisions and deadline, this item is pending.

Regarding the easements, this item is pending.

**NEW BUSINESS:**

Regarding LDC Meeting times, Z. Gabriels said R. Bartlett requested changing the LDC Meetings from Wednesdays at 4:30 pm to Thursdays at 4:30 pm. The LDC Members unanimously agreed to change the LDC Meetings to Thursdays at 4:30 pm, effective immediately, with the next LDC Meeting scheduled for Thursday, June 30, 2005 at 4:30 pm at the Bolton Town Hall.

Regarding Maureen Donovan (WCEDC), Z. Gabriels said he received a phone call from Maureen Donovan, who said (1) she will not be attending this afternoon's LDC meeting, (2) the Glens Falls National board meeting is this afternoon, at which David Kaiser and Tom Hoy will float the ideas of interim financing and a USDA wrap mortgage (has a 1% fee) to their Board and (3) she is impressed with John Keating and he will get things done.

B. Bryan said (1) he is glad to see the progression and (2) Tom Hoy is very positive, supportive and wants this to work. J. Saris said R. Bartlett has concerns with the bank situation, specifically what bank the LDC should go with. Z. Gabriels said he has to review this to make sure it won't conflict with the state contract.

Regarding the NYSDEC Conservation Easement and the 8 negotiated points, Z. Gabriels said (1) he drafted the BLDC response to the NYSDEC draft easement, (2) a draft copy was delivered to David Kaiser on Monday, June 20, 2005 at 4:00 pm, (3) he has a call into Stu Buchanan and has received no response to date, regarding Buchanan's letter about the reversionary interest tied to NYS Camping not being possible, (5) he has made a request on Wednesday, June 15, 2005 of Ron Montesi for Law and R&R on the need for appraisals and has not received a response.

B. Bryan (1) said he and Dusty Rhodes both feel that the person who wrote the easement is not familiar with the situation, (2) said regarding Section 1.2 of the conservation easement, Karl Lamb's house is primarily residential and asked what the LDC should do with

it and Z. Gabriels answered by saying that he heard the present occupant, the Bolton Museum, is still interested in renting.

B. Bryan said (1) regarding Section 2.1.3 of the Conservation Easement, the LDC needs to get clarification from the state as to what it means by "public recreation" and (2) Section 4 of the Conservation Easement regarding the Marina Operating plan needs to be thoroughly reviewed, (3) Section 4.2 needs to be clarified, as a business plan needs to be completed now, not in a year, and the LDC needs to produce one, and (4) while the LDC has a good financial plan, it is not a complete SOP for the actual operation. J. Saris said he thinks the NYSDEC is referring to when the it first spoke to the LDC regarding 25 rentals and utilizing dock space and (2) he does not think the NYSDEC is being sneaky.

B. Bryan asked if "plan contents" in Section B is only a concept of the plan and J. Saris said he believes that is so. B. Bryan said the LDC should send a letter to the NYSDEC regarding the Conservation Easement to get clarification on the above items and also on Sections 4.2.b.ii, 5.5.2, 5.3.4.

B. Bryan said (1) regarding Section 5.7.1.i, it should read "215 feet." J. Saris said it should read "215 linear feet."

B. Bryan asked how Section 5.5.2.a could possibly be regulated and J. Saris said it doesn't matter, because the NYSDEC needs to show value for fisheries in order to get the value for the appraisals.

B. Bryan said in Section 6.2.2, "personnel" needs to be added to "contractors and concessionaires." J. Saris said (1) he has an issue with "reasonable fees" and (2) if the LDC pays the mortgage, it should have the power to decide on fees. Z. Gabriels asked if the LDC has an issue with fees for local vs. non-local and J. Saris said he feels strongly that the LDC needs to consider lack of fees for

residents. B. Bryan said it's not Town of Bolton property. Z. Gabriels asked if the LDC would like to make it a policy provision and all LDC Members were in unanimous agreement for Z. Gabriels to add the policy provision.

Regarding Glens Falls National Bank, Z. Gabriels said (1) a commitment letter from David Kaiser was received and distributed on June 8, 2005, (2) there is a 20-day reply deadline, making the deadline date June 28, 2005, (3) there are contingencies, (4) he asked for a 30-day extension to July 28<sup>th</sup>, (5) a letter from David Kaiser is to follow regarding the issue of the USDA wrap around mortgage as short term interim financing, not long term 20 years, until the State money comes through.

Regarding Dick Swire and Buzz Lamb, regarding Dick Swire getting the LGA in written support in the Post Star, Z. Gabriels said that Dick Swire says that Walt Lender, Ex. Dir. Agrees and is working on a document. B. Bryan said he thinks R. Bartlett is working on this. J. Saris and Z. Gabriels were in agreement and said R. Bartlett should continue working on this.

Z. Gabriels said on the radio, Nick Caimano, Supervisor, Town of Queensbury, gave support for the Town of Bolton's use of Bed Tax money for the Norowal Marina Acquisition.

**COMMITTEE REPORTS:**

Saris: None

Alcan: None

Bartlett: None

Bryan: B. Bryan provided the Weekly Report of the Financial Analysis Committee to all LDC Members and Town Board Members in attendance.

Gabriels:           None

**APPROVE PAYMENT OF LDC BILLS:**

There were no bills to pay.

Meeting adjourned at 6:03pm.

Respectfully submitted by

Jennifer Torebka

Recording Secretary

06/29/05