

Bolton LDC Meeting- October 22, 2008
State of New York
Warren County
Town of Bolton

Present: Phil Farbaniec, Joel Jacko, Alexander G. Gabriels III, Jason Saris, Art Baker and Scott Andersen

Absent: Supervisor Kathy Simmes

Phil Farbaniec called the meeting to order at 5:20 p.m.

Public in Attendance: No Public in Attendance.

Announcements:

Dock Doctors estimate-

Phil Farbaniec stated that he had received an unsolicited estimate from the Dock Doctors. For a complete replacement for essentially what they have, they quoted without tax, a little over \$380,000.00. He stated that he is not sure how this compares to what they have now, but it may require less maintenance. He stated that it does give them an idea of the worth of the unappreciated asset. He stated that the Dock Doctors did break the project down into stages, but the estimate was for the entire project.

Painting of the House-

Phil Farbaniec stated that he received an unsolicited estimate for painting the house. He stated that he did not present this to the Board and chose to deal with this individual himself. The estimate was for \$3,200.00 to paint and repair the house. Phil Farbaniec stated that he told him that they would not be interested at this time. In the meantime Melvin has painted the lower white section and he has done some repair work as well.

Stolen Inventory at Norowal-

Phil Farbaniec stated that they noticed some missing inventory at Norowal and called the NY State Police to investigate this matter. He recently spoke to the NY State Police Investigator who has informed him that they have concluded their investigation. The case will remain open, but they have investigated and followed through on all of their leads and have reached dead ends.

LA Group- Study of Norowal

Phil Farbaniec stated that they have mitigation from the LA Group signed off by Jeff Anthony outlining the proposal to have a study done at Norowal for a total cost of \$5,000.00. He provided the proposal to the Board members which outlined the proposal in more detail. He stated that they already have resolution on record to engage the LA Group but they have not returned anything in writing accepting their proposal and they should do that as well suggest a time when they would like to start the process. Joel Jacko asked if the LA Group was going to present the

study to the Board as a group. Phil Farbaniec stated that he would guess that they would assign someone to them to handle the study and report.

Zandy Gabriels stated that he was concerned that the proposal states that alternative plans will be reviewed at a joint meeting of the LDC representatives and Hamlet Sustainability Plan

Committee members. He stated that there is a perceived feeling that Norowal Marina is Town owned. This is incorrect because the Town does not own Norowal and cannot be overruled by

the community. He stated that the LA Group's report needs to be presented to the BLDC first.

Joel Jacko asked if they will have the right to accept the plan or do they have to report to the

Town. Zandy Gabriels stated that he feels that it becomes their responsibility and obligation to accept the plan before anything happens because they are independent from the Town. Joel Jacko

agreed stating that the plan should come to the BLDC first and they should decide when to

release it to the public. Phil Farbaniec stated that they should respond to the LA Group in

writing, noting the exception in Task 3, that the BLDC is independent of the Town and Hamlet

Sustainability Committee. However, he suggested that they sit down with the Hamlet

Sustainability Committee after the BLDC has reviewed the plan and made some decisions as a

matter of courtesy. All Board members agreed.

NY Authority Budget Office-

Phil Farbaniec stated that they received communication from the NY Authority Budget Office

which states that the LDC is legally bound to provide financial transparency and an annual report should be provided to the public and to the Authority Budget Office. Zandy Gabriels stated that

this should not be too difficult since they have minimal expenses per month for the BLDC. He

stated that he is not sure if they can just provide a review or if this report will require an audit.

Phil Farbaniec suggested that they discuss this with Curtis Murphy and Jefferies to see how to proceed.

Treasurer's Report:

Phil Farbaniec stated that in terms of gross activity, operational income, since the 1st of the year,

they are just at \$552,000, which is almost \$9,000.00 ahead of last year. He stated that this is so

close and is more than likely from the increase in gas. He stated that this is good considering the

economy. He stated that this could improve more since there is still some business left to

conduct.

Zandy Gabriels stated that he gave Phil Farbaniec a copy of the Profit and Loss Statement that was sent to him by CMJ(accountants) and a copy has gone to GF National Bank. Phil Farbaniec

stated that their net income was \$250,000.00 but that does not include their mortgage payments.

Joel Jacko suggested bringing additional money to the mortgage account at Glens Falls National

Bank and then move the rest to CD's. Zandy Gabriels stated that the BLDC has \$81,472.00.

Phil Farbaniec stated that Joel is talking about the account at GFN Bank which has

approximately \$83,000.00. He stated that he and Joel have created a self-imposed policy to keep

at least 6 months in mortgage payments which is a little over \$100,000.00. He stated that they

are a little light on that and if they wanted to move some money into it they could. Zandy

Gabriels suggested putting some BLDC money into a CD and that allows Norowal to take money

out of some of the other accounts down there from one account to put it into the mortgage account and clean it up from an institutional point of view. Joel Jacko asked if he was suggesting taking it out of Norowal account. Zandy Gabriels suggested taking Norowal funds and put it into the mortgage and then take \$50,000.00 from the BLDC and put it into CD's. Joel Jacko stated that the Norowal account gets them through the winter and allows for set-up for the next season. However, they should be receiving money as early as January for the rentals and they should leave enough to carry them through until that time. Phil Farbaniec stated that they will still have to send the dividends from Norowal to the BLDC each month and they need to make sure that they leave enough for that. Joel Jacko stated that the managers will not have enough money in the Norowal account if they need to send \$17,000.00 in dividends to the BLDC from now until January. Joel Jacko suggested that they use what is in the mortgage account until January which is about 5 months plus one more \$17,000.00 which will come out of the \$50,000.00, plus move \$30,000.00 into another CD which will give them start-up money. Zandy Gabriels stated he was concerned with paying the mortgage from the Norowal account because it could be a problem for CMJ (accountants). Joel Jacko stated that they will not need to do that because of the other CD's that they have. He stated that they could roll \$50,000.00 from the BLDC into a CD and mature it and then put it into the mortgage account. Phil Farbaniec stated that they will need to show the \$17,000 special dividends for tax reasons going from Norowal to the BLDC every month. Joel Jacko stated that they can still have Norowal give them 2 months mortgage, leave them \$50,000.00 to start-up and then use the mortgage account to pay mortgage after that. Phil Farbaniec agreed that this would be best.

Old Business:

Winter Storage Contract-

Phil Farbaniec stated that nothing has changed since last month's meeting. They still have not had any bid responses for the use of the buildings for storage.

New Business:

Bed Tax/Assertion of Inefficiencies-

Zandy Gabriels stated that the meeting has already occurred. He stated that the Bed Tax Committee has been reconfigured because Phil was supposed to be on the committee but he was not apprised to it and therefore was not there. He stated that Norowal never came up. He reported that the TB is shifting \$30,000-40,000 out of the General Fund over into the bed tax money for the Chamber of Commerce funding, flowers, etc in order to keep the Town taxes down. Phil Farbaniec asked if that was an allowed use of bed tax money. Zandy Gabriels replied that Supervisor Simmes asked Paul Dusek of Warren County who is comfortable with it. However, he stated that he is not sure if Counsel Muller would be okay with it. He stated that what he does know is that Norowal did not even get the opportunity to request bed tax money. Zandy Gabriels stated that Supervisor Simmes mentioned at the Bed Tax Committee Meeting that there were inefficiencies at Norowal. These comments were made at a public meeting with members of the community present which he feels was not appropriate. Zandy Gabriels asked the Board if they would like to request bed tax money. Phil Farbaniec stated that they could but

there needs to be communication from the BLDC Board in writing. Zandy Gabriels stated that whatever they request or receive could be useful. Joel Jacko agreed and stated that they he thinks they should try to get something.

Resolution

Joel Jacko moved, seconded by Art Baker to submit an application request for bed tax money in the amount of \$45,000.00. All in Favor. Motion Carried.

Disposition of Chain-

Phil Farbaniec stated that the chain is coming down after October 31, 2008. He stated that they got some feedback on it, but nothing of too much concern. Art Baker stated that he spoke to Linda Bennett who is concerned with people wanting to pull their boats out in November. Phil Farbaniec stated that the chain is coming down at the end of this month and not being put back up because they will no longer be there.

Bubbler-

Phil Farbaniec stated that Melvin is working on this. Zandy Gabriels stated that he and Scott Andersen to check on it. They feel that they should wait and see what happens this year and make adjustments as needed. Joel Jacko stated that he is interested to see what the managers have to say about Melvin's work, because he seems to be working out well. Phil Farbaniec agreed that you can see all of the things that he has accomplished for them this year.

Zandy Gabriels stated that Melvin has approached him about some additional work that needs to be done around Norowal. He stated that there are 2 trees that are dying and he suggested that he could take them down for them. Melvin has the equipment necessary to do this and all they will have to do is worry about what to do with the stumps next year.

Zandy Gabriels stated that Melvin has also expressed an interest in working on some stormwater mitigation along Sagamore Road. He would like to put in some sort of drainage ditch. Melvin would also like to trim out some trees and shrubs on the banks, but he and Scott Andersen suggested that they talk to Mitzi Nittmann about how to proceed on that. Phil Farbaniec asked if any of the work would have a direct impact on any of the neighbors. Zandy Gabriels replied no and all that these provide are erosion control on the side of the road.

Verizon Easement-

Zandy Gabriels stated that he has looked at the Easement and they are coming off of Route 9N which will not create any problems. He stated that they are crossing over the Sagamore Road entrance but there are existing lines there now.

Phil Farbaniec stated that the next meeting is the Wednesday before Thanksgiving and suggested that they move it up one week. He suggested that either at that meeting or another meeting in the near future they should have the managers present. All Board members agreed.

Phil Farbaniec moved, seconded by Zandy Gabriels to adjourn to at 6:13 p.m.

Next meeting: Wednesday, November 19, 2008 at 5:00 PM at Town Hall.

Minutes respectfully transcribed by
Kristen MacEwan
Recording Secretary