

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: LAKE CHAMPLAIN-LAKE GEORGE REGIONAL PLANNING BOARD

DATE: OCTOBER 4, 2018

<u>MEMBERS PRESENT:</u>	<u>MEMBERS ABSENT:</u>	<u>OTHERS PRESENT:</u>
DAVID O'BRIEN, CHAIRMAN	RODNEY BROWN	REPRESENTING THE LAKE CHAMPLAIN-LAKE GEORGE REGIONAL PLANNING BOARD:
PETE KENNAN	HARRY MCMANUS	BETH GILLES, EXECUTIVE DIRECTOR
PATTY WALDRON	KINBERLY DAVIS	CHRIS DEBOLT, WASHINGTON COUNTY ADMINISTRATOR
CHARLES HARRINGTON	ALBERT RASCOE	AARON FRANKENFELD, ADIRONDACK GLENS FALLS TRANSPORTATION COUNCIL, TRANSPORTATION PLANNING
RONALD JACKSON	MICHEAL MARNELL	DIRECTOR
WILLIAM FABER	RANDY PRESTON	MOLLY GANOTES-GLEASON, LEGISLATIVE OFFICE SPECIALIST
BETH HUNT	MICHAEL DISKIN	
DENNIS DICKINSON	CHRIS GARROW	
EDNA FRASIER	RICHARD WILT	
JOHN STROUGH	TRACY ELDRIDGE	
RONALD CONOVER	KEVIN HAJOS	
MICHAEL SWAN		
MATTHEW HICKS		
RICHARD MOORE		
ROBERT HANKE		
ALBERT NOLETTE		
DEBORAH DONOHUE		

David O'Brien called the meeting of the Lake Champlain Lake George Regional Development Corporation to order at 2:04 p.m.

Mr. O'Brien informed that no by-laws dictated that their members could adopt them. Subsequently he said the by-laws could designate a Board of Directors. According to the existing by-laws he mentioned there was only one remaining member, Harry Booth. He apprised the first order of business was to adopt the by-laws and appoint the Board of Directors. He said Ms. Gilles and himself were already members according to both sets of by-laws. He informed the RDC (Regional Development Corporation) was developed for the sole purposes of borrowing money to provide a loan fund from the USDA (United States Department of Agriculture) in the amount of \$1.2 million. He notified there was currently \$280,000 owed in loans and he advised in the next six months they needed to find a way to make payments to the USDA.

Motion was made by Mr. Booth, seconded by Ms. Gilles and carried unanimously to accept the By-Laws as written.

Mr. O'Brien remarked the by-laws were created from those of the Planning Board and incorporated different features and changed the number of board member from 20 to 7 and adopted parts that were RDC specific.

Mr. Conover inquired if members were selected by each County and Mr. O'Brien replied the members were recommended by the Counties then the Board of Directors would have the choice to select that member or not. He informed the RDC was a private company and those that were not voting members of the RDC were eligible to be Directors of the RDC. A brief discussion ensued.

Mr. O'Brien presented a resolution to accept the by-laws, motion was made by Mr. Booth and seconded by Ms. Gilles, and carried unanimously to accept the by-Laws as written.

Mr. O'Brien congratulated the Directors of the Regional Planning Board that were now members of the Regional Development Corporation.

Mr. O'Brien asked for recommendations from each County who they would prefer to have as a Board member. The following members were recommended.

Beth Hunt, Hamilton County
Harry Booth, Washington County
Pete Keenan, Clinton County,
Ronald Jackson, Essex County
John Strough, Warren County

Mr. O'Brien asked for a motion to appoint Ms. Hunt, Mr. Booth, Mr. Keenan, Mr. Jackson and Mr. Strough as members of the Regional Development Corporation Board of Directors.

Motion was made by Mr. Dickinson, seconded by Ms. Waldron and carried unanimously to appoint the aforementioned members to the Regional Development Corporation Board of Directors.

Mr. O'Brien asked for a motion to appoint one of the members of the RDC Board of Directors as Chairman.

Motion was made by Mr. Booth, seconded by Mr. Keenan and carried unanimously to appoint Dave O'Brien as Chairman of the Regional Development Corporation Board of Directors.

Motion was made by Mr. Conover, seconded by Mr. Dickinson and carried unanimously to appoint John Strough as Vice Chairman of the Regional Development Corporation Board of Directors.

Motion was made by Mr. Dickinson, seconded by Mr. Henke and carried unanimously to appoint Beth Hunt as Secretary of the Regional Development Corporation Board of Directors.

Motion was made by Mr. Jackson, seconded by Ms. Hunt and carried unanimously to appoint Al Nolette as Treasurer of the Regional Development Corporation Board of Directors.

Motion was made by Ms. Hunt, seconded by Mrs. Frasier and carried unanimously to accept the July Abstract.

Regarding the July Abstract, Mr. Nolette informed \$800 was reclassified to the Operating Fund and the RDC would only be billed for legal service.

Mr. O'Brien mentioned there was a current loan where the money had been borrowed from other funds and loan funds, subsequently he indicated the USDA should not borrow from the EDA. He advised they spoke to an attorney and discovered a way to assign that loan from the USDA to the proper revolving loan.

Mr. Conover inquired what the plan was for developing and presenting the Lake Champlain Lake George Regional Planning Board 2019 Budget was and Mr. O'Brien replied the 2019 Budget was being presented today and the 2019 RDC Budget was not completed.

Mr. O'Brien adjourned the meeting of the RDC at 2:20 p.m. and commenced the meeting of the RPB (Regional

Planning Board) at 2:21 p.m.

Pledge of Allegiance was led by Mr. O'Brien

Roll Called, the following members present: Pete Kennan, Patty Waldron, Charles Harrington, Ronald Jackson, William Farber, Beth Hunt, Dennis Dickinson, Edna Frasier, John Strough, Ronald Conover, Michael Swan, David O'Brien, Matthew Hicks, Richard Moore, Robert Hanke, Albert Nolette and Deborah Donohue.

The following members absent: Rodney Brown, Harry McManus, Kimberly Davis, Albert Rascoe, Michael Marnell, Randy Preston, Michael Diskin, Chris Garrow, Richard Wilt, Tracy Eldridge and Kevin Hajos.

Mr. O'Brien asked for a motion to approve the July 18, 2018 minutes. Motion was made by Mr. Keenan, seconded by Mrs. Frasier and carried unanimously.

Next, Mr. Nolette provided a Treasurer report, indicating there were significant changes, noting the actual figures that would be certified. He informed the Chairman had worked diligently with the interim Director to review, correct and develop new policies for the organization, adding in the short period of five weeks they changed the way they did daily business and the delinquent loans were contacted and back on track. He advised there was a financial change with \$3,400 in the account on June 30, 2018 and \$294,000 in the account on September 30, 2018. He informed the accounts payable process was being administered by Washington County which, he said, had improved the cash flow of the organization and payments were made to vendors, advising the September payments were over \$60,000 and reimbursed to Washington County on October 1, 2018. He apprised the process was working wonderfully. He notified the loans receivable decreased from \$3.6 million to \$3.2 million and he attributed it to Mr. O'Brien and Ms. Gilles for the rolls they had taken on during the past two months. He indicated on the negative side there were loans that were exceptionally delinquent and would be written off in the amount totaling \$389,000. He advised a payment was made on a delinquent loan in the amount of \$50,000, to bring it current, lowering the write off amount to \$339,000. He advised the State Comptroller was investigating them on a daily basis with questions regarding loan portfolios. He apprised they alluded to the RDC not being viable at the current time. He said if that \$50,000 loan was not paid the RPB would owe the USDA more than was owed back to them, adding the current cash flow of the interest and principle payments back to the organization which did not generate enough money to make the loan payments to the USDA. He stated there was a significant problem within the RDC in the re-payment of the loan to the USDA. Mr. O'Brien inquired if the current amount owed to the USDA was \$280,000 and Mr. Nolette informed the amount was \$263,000. Mr. O'Brien stated they also had to pay for audits and operating expenses out of that balance. Mr. Nolette expressed that the RDC was upside down and they did not have the cash flow to sustain the loan fund. Mr. Conover question the cause and Mr. Nolette replied money was re-loaned to quickly. Mr. O'Brien explained the issue was that they owed the USDA \$50,000 per year, and the only way to write of the bad loans was to dissolve the RDC, but he said, there were concerns regarding the good loans, adding another option would be to get on a graduated payment plan with the USDA. Chris DeBolt, *Washington County Administrator*, suggested dissolving the RDC and hand the portfolio to the USDA to limit liability to the Planning Board. Mr. O'Brien informed the repercussion from the USDA would be that they would no longer fund the RDC. He informed they had the funds to make a payment in January leaving six months to develop a solution. Mr. Dickinson inquired what prompted loans to be written off and Mr. O'Brien replied there were seven loans from three different funds that totaled \$339,237, caused by business going out of business. A brief conversation ensued.

Next, Mr. O'Brien spoke of the RPB by-laws and inquired if all of the five Counties had passed them and each County replied in the affirmative. He said the MOU (Memorandum of Agreement) was mailed which stated what the process were, and included independent audits along with finance and administrative services. He questioned

the contributions of each County, questioning if it was based on total equalized taxable property value or the total assessment of the County. He recommended the contributions should be based on total equalized taxable property value and the Planning Board members concurred.

Motion was made by Mr. Jackson, seconded by Mr. Frey and carried unanimously to accept the MOU as written.

Mr. Nolette asked if there could be a show of hands for the vote and Mr. O'Brien indicated only the members with yellow colored cards could vote. He called for a show of hand and the resolution passed unanimously.

Mr. O'Brien asked for a motion to accept the revised Sexual Harassment Policy and a motion was made by Mr. Keenan, seconded by Mrs. Frasier and carried unanimously.

Following, Mr. O'Brien said the next order of business was to appoint the Board of Directors, Vice Chair. Motion was made by Mr. Hicks, seconded by Mrs. Frasier and carried unanimously to appoint Mr. Strough as Vice Chairman.

Next, Mr. O'Brien asked for a nomination for an additional member from either Clinton or Essex County. Motion was made by Mr. Keenan, seconded by Mr. Jackson to appoint Ms. Waldron as the additional Board Member. Mr. O'Brien informed Ms. Waldron was disqualified from serving as a Board Member because she had volunteered to be a member of the Revolving Loan Committee. Mr. Keenan withdrew his motion and Mr. Jackson withdrew his second. Motion was made by Mr. Jackson, seconded by Ms. Waldron and carried unanimously to appoint Mr. Harrington as the additional Board Member.

Regarding the individual loans, Mr. O'Brien mentioned his perception was that there were a lack of documentation regarding business plans, projections and financial statements. He advised the Loan Committee should provide the discussions they had during a meeting, as well as documentation of the collateral value. He indicated documentation was frequently missing from loan portfolios and collection calls and financial documentation was not available. He informed they needed to obtain the proper documentation, have a firm collection policy and adopt a policy where they made contact with the borrower on an annual or somewhat frequent basis. A brief conversation ensued.

Motion was made by Mr. Dickinson, seconded by Mrs. Frasier and carried unanimously to accept the Loan Committee by-laws with an addendum to include a documentation checklist.

Regarding the members on the Loan Committee, Mr. O'Brien appraised he needed a member from Warren, Washington and Essex Counties. He informed Mr. Booth was nominated from Washington County, Mr. Conover was nominated from Warren County and Mr. Jackson was nominated from Essex County with the stipulation they had five days to decide if they were interested in being a member of the Loan Committee. Mr. O'Brien reported that Ms. Wilt and Ms. Waldron were also Loan Committee members, adding Ms. Wilt was appointed Chairman of the Loan Committee. He advised members would be confirmed at the next meeting.

Mr. O'Brien indicated there was a conversation with the EDA that resulted in lifting the Loan Program Moratorium.

Mr. O'Brien called for a motion to accept the re-definition; The necessary motion was made by Mr. Dickinson, seconded by Mr. Strough and carried unanimously to accept the re-definition.

Regarding the Loan Collection Policy, Mr. O'Brien advised he spoke to their collection attorney, informing his recommendation was to evaluate the loan in 90 days before incurring costs Mr. O'Brien proposed to make contact with the loan recipient after 15 days past due and to be sure to document all contact or attempted contact and after 60 days to figure out a plan or propose a loan modification or a way to get them back on track. Mr. Nolette asked what happened after 90 days and Mr. O'Brien replied the loan would be turned over to the attorney for collections. He indicated himself and Ms. Gilles spoke to the collection attorney and he suggested to access each situation individually because the costs for a foreclosure were substantial, advising to seize all the individuals assets to prompt loan payments. A conversation ensued regarding loan collections.

Ms. Gilles provided a Directors Report, informing she had submitted the budget paperwork to all five Counties, a proposal for Auditor services was released and the deadline for proposals was October 10, 2018. She apprised a Senior Account Clerk had been hired and would start October 15, 2018, adding a title was created for a Senior Planner and submitted to Civil Service for review. She reported she updated the information on the Federal Reporting Systems and worked with Washington County who were handling their accounts payables. She conveyed that she was part of the NYSARC (New York State Association of Regional Councils). Regarding economic Development. She reported there were two Northern Border Regional Commission grants, one being given to the Town of Crown Point and the other given to the Town of Inlet. She added she submitted a reimbursement plan to the EDA under the Planning grant, informing she was working with them to increase the allotted amount of match that was previously committed to the program. She informed after working with Washington County the match was increased. She commented that she was waiting for another three year grant renewal when the agreement with Washington County expired. She informed the grant with NYSDEC (New York State Department Environmental Conservation) was a four year contract for water quality which would expire in March and the RFP (Request for Proposals) was released, notifying it would have to be written and submitted by November 14, 2018. She indicated the Lake Champlain Basin grants were released and they submitted for 5-7 and received half of them to fund water quality projects around the Lake Champlain Basin, reporting she organized the North Country Storm Water Trade Show and Conference that would be held October 18, 2018 at the Highland Golf Course. She explained she had sat on a panel for the NYSDEC where they were updating the MS4 permit, adding they executed the contract with NEIWPC (New England Institute Water Pollution Commission) for Clinton County. She informed budget amendments and quarterly reporting had been done along with working on the Schroon Lake Watershed Management Plan addendum, adding she had attended and spoke at meetings the past month. She apprised they established a new contact logging system as well as updating all of the UCC filings for 2018. Regarding the Long Term Control Program, she notified she had worked with Aaron Frankenfeld, (*AGFTC Adirondack Glens Falls Transportation Council, Transportation Planning Director*), to update the reimbursement procedures from weeks to days.

Ms. Gilles provided a power point presentation entitled "Staffing Plan" which she reviewed in detail.

Following, Ms. Gilles reviewed the Lake Champlain-Lake George Regional Planning Board 2019 budget requests in detail.

Mr. O'Brien discussed County allocations, informing it was not expected that the Counties increase their allocation this year. He said Washington County had proposed to raise their allocation to \$8,500. He added the allocation had been \$25,000 since the 1970's, informing he would like to see an increase.

Mr. Frankenfeld mentioned the AGFTC meeting was next Wednesday and they required a quorum to ensure their Long Range Plan was approved. He apprised in August they awarded over \$5 million in capital projects back to the Counties and the City of Glens Falls through a competitive local program solicitation, which included

pavement and bridge repairs, as well as new bicycle and pedestrian projects.

Motion was made by Mr. Strough, seconded by Mr. Hicks and carried unanimously to adopt the 2019 Operating Budget.

Mr. O'Brien advised the budget had to be approved by all five Counties, after a brief discussion there were minor adjustments made to the budget.

Motion was made by Mr. Jackson, seconded by Mr. Strough and carried unanimously to accept the budget amendment as discussed.

Mr. O'Brien thanked Ms. Gilles for her instrumental role in moving the Planning Board into the future.

Motion was made by Mr. Moore, seconded by Mr. Frey and carried unanimously to enter into executive session pursuant to Section 105(f) of the Public Officer's Law.

Executive session was held from 4:17 p.m. until 4:23 p.m.

Upon reconvening, Mr. O'Brien noted that no action had been taken during the executive session.

Concluding, it was decided to hold the next meeting on November 29, 2018 at 1:00 p.m. at the Warren County Municipal Center.

As there was no further business to come before the Lake Champlain Lake George Regional Planning Board, on motion made by Mr. Kennan and seconded by Mr. Jackson, Mr. O'Brien adjourned the meeting at 4:24 p.m.

Respectfully submitted,
Molly Ganotes-Gleason, Legislative Office Specialist