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Columbia Economic Development Corporation

MINUTES COLUMBIA ECONOMIC DEVELOPMENT CORPORATION

Tuesday, July 28, 2015

4303 Route 9

Hudson, New York

A regularly scheduled meeting of Columbia Economic Development Corporation (CEDC) Board of Trustees held at their offices located at 4303 Route 9, Hudson, NY 12534 on July 28, 2015. The meeting was called to order at 8:30 AM by David Crawford, President.

Attendee Name	Title	Status	Arrived
Mary Bartolotta	Vice-President	Excused	
Michael Benson	Board Member	Present	
Rick Bianchi	Board Member	Present	
Bruce Bohnsack	Board Member	Present	
Jim Champion	Board Member	Excused	
Paul Colarusso	Board Member	Present	
David Crawford	President	Present	
David Fingar	Board Member	Excused	
Greg Fingar	Board Member	Present	
Tony Jones	Board Member	Present	
Kim Keil	Board Member	Present	
John Porreca	Board Member	Excused	
Robert Sherwood	Treasurer	Excused	
Colin Stair	Board Member	Present	
Sarah Sterling	Secretary	Present	
Scott Wood	Board Member	Present	
Andy Howard	Counsel	Present	
Nancy Costine	Economic Development Specialist	Present	
Lisa Drahushuk	Administrative Supervisor	Present	
Martha Lane	Business Development Specialist	Present	
Erin McNary	Bookkeeper	Present	
Ed Stiffler	Economic Developer	Present	
Carol Wilber	Marketing Director	Present	
F. Michael Tucker	Interim Director	Present	
John Reilly	Supervisor, Town of Gallatin	Present	
Katie Kocijanski	Reporter, Register Star	Present	
Patti Matheney	Public	Present	



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Joanne Cardis	Public	Present	
Ron Cardis	Public	Present	
Tom Runyon	Public	Present	

Contract Ratification, Tucker Strategies, Inc.:

Mr. Crawford introduced F. Michael Tucker, President of Tucker Strategies, Inc. Mr. Crawford indicated that the Management Team interviewed four candidates and recommend that Mr. Tucker be appointed as CEDC's Interim Executive Director. A draft contract between CEDC and Tucker Strategies, Inc. was included in the Board materials. Mr. Howard stated the contract was a standard consulting agreement. He noted the start date had been adjusted to July 28th and would run through the end of November. He noted the contract provided for a monthly payment of \$6,000 plus direct expenses. *A motion was made by Mr. Colarusso to approve the contract and seconded by Ms. Sterling. Carried.*

Mr. Tucker thanked the Board. He outlined his background and experience. He noted he had completed the ABO training last week and he was looking forward to working with CEDC and the Columbia County IDA. He would address the County issues of oversight, reporting and control. He will propose an organizational structure allowing the organization to move forward with improved regulatory compliance and a new funding agreement with the County.

Status of Officers:

Mr. Crawford reminded the Board he would be resigning immediately after the meeting. He stated it had been a pleasure to serve on the board for 25 years. He stated under the by-laws, Vice President Mary Bartolotta would serve as Acting President until a new President is elected at the August meeting. He asked that any Board member interested in serving as President should submit their name to Board Secretary Sterling. The names would be forwarded to the entire Board prior to the next meeting. The election of the Board President would occur at the August meeting and nominations could also be made at the meeting.

Minutes:

A motion was made by Mr. Bohnsack, seconded by Mr. G. Fingar, to approve the minutes of the June 30, 2015 meeting. Carried

Treasurer's Report:

Erin McNary presented the Treasurer's Report that was included in the Board materials. Mr. Benson asked if the report was prepared internally and if they were reviewed externally on a quarterly or yearly basis. Ms. McNary stated the monthly financial report was prepared internally and is reviewed by CEDC's auditor quarterly. She stated the corporation had an annual financial audit.



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Mr. Tucker stated he would be meeting with the auditors and would arrange for them to make a presentation at the August meeting. *A motion was made by Mr. G. Fingar, seconded by Ms. Keil, to approve the Treasurer's Report. Carried*

Reorganization Update:

Mr. Benson noted there was a need for a strategic plan for CEDC. Mr. Tucker stated that with the election of a new President in August, he recommended that the Executive Committee be reconstituted by a Board resolution at the August meeting.

Mr. Crawford noted Mr. Tucker's contract was for a 4 month term, and stressed the need for a permanent Executive Director. He noted the Management Team had identified the restoration of the county funding as a prerequisite to obtaining an Executive Director.

Consolidated Funding Application Update:

Mrs. Drahushuk stated an application was being submitted by CEDC on behalf of Hudson Valley Creamery. She stated the application was for funding equipment to be used for processing fresh goat's milk into cheese. She stated the total project cost was \$4.4 million and the CFA application requests \$878,800 in state funding. Supervisor Reilly, Chair of the Board of Supervisor's Economic Development Committee and a member of the Governor's Upstate Revitalization Initiative (URI) Workgroup, noted the application tied into the mission of the Capital Region Economic Development Council (CREDC) and the URI. Mr. Crawford stated he had a conflict of interest on this project, noting his company was providing engineering services to Hudson Valley Creamery.

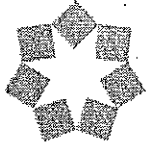
Mr. Tucker noted there was a \$13,500 contract with Laberge to prepare the CFA. Additional work is necessary to complete the application. Laberge has agreed to complete the necessary work for a total fee not to exceed \$15,000. He noted that any costs above that amount would be the responsibility of Hudson Valley Creamery.

Supervisor Reilly reminded the Board about the request from the CREDC to fund the URI application. He stated the county had no line item for such a request and would be looking to the CEDC and CCIDA Board to assist in providing the funding.

Other Business:

Loan Committee Additional Members:

Ms. Lane stated that additional members are needed to serve on the Loan Committee members. She noted with the upcoming resignation of Mr. Crawford, obtaining a quorum would be problematic. She informed the Board, Mr. G. Fingar and Mr. Stair had expressed interest in serving. She stated the current Loan Committee consisted of Mr. Crawford, Ms. Keil, Mr. Bianchi and Mr. Sherwood. *A motion was made by Mr. Wood, seconded by Mr. Bohnsack, to appoint Mr. G. Fingar and Mr. Stair to the Loan Committee. Carried*



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Mr. Tucker noted his office had done a brief review of CEDC's compliance with the ABO policies. He noted that the audit, finance and governance committees would be chartered and begin meeting. He stated some committees were only required to meet once or twice a year. He directed Mrs. Drahushuk to send out the list of committees and their current members to the full Board. He asked that the Board members volunteer for the committees they wished to serve on.

Loan Approvals

Mr. Crawford stated the loan committee had met earlier, discussed and recommended the following loans for Board approval:

Verdigris Tea LLC

Verdigris Tea LLC has requested a \$30,000 SBA Microloan for working capital, materials, equipment and inventory. The applicant is the owner of a tea shop on Warren Street in Hudson and is opening a second location in Catskill. CEDC is the SBA Microloan Intermediary for both Columbia and Greene Counties. The Loan Committee recommends that the Board approve a \$30,000 SBA Microloan at an interest rate of 7.75% and a term of 72 months. *A motion was made by Mr. Colarusso, seconded by Ms. Sterling, to approve the Verdigris Tea, LLC SBA loan, as presented. Carried.*

Pagoda Home Inc. DBA Hudson Supermarket

Pagoda Home Inc. DBA Hudson Supermarket has requested two \$35,000 loans for working capital, computer purchase, development of the website, upgrade of the café and/or building improvements. The business sells antiques, art and mid-century modern furniture. The first is a request for a \$35,000 SBA Microloan and the second is for a \$35,000 from the CEDC loan fund. The Loan Committee recommends that the Board approve both \$35,000 loans, each with an interest rate of 7.75% and a term of 72 months.

A motion was made by Mr. G. Fingar, seconded by Mr. Colarusso, to approve the Pagoda Home, Inc. SBA loan, as presented. Mr. Bianchi recused himself from the vote due to a conflict of interest; the borrower is a client of his firm. Carried.

A motion was made by Ms. Keil, seconded by Mr. G. Fingar, to approve the Pagoda Home, Inc. CEDC loan, as presented. Mr. Bianchi recused himself from the vote due to a conflict of interest; the borrower is a client of his firm. Carried.

With no further business to discuss, a motion was made by Mr. Colarusso, seconded by Mr. Bohnsack. Carried. The meeting adjourned at 9:29am

Respectfully submitted by Lisa Drahushuk