



# Choose Columbia

Columbia Economic Development Corporation

## MINUTES

Minutes for the meeting of Columbia Economic Development Corporation Board of Trustees held at the their offices located at 4303 Route 9, Hudson, New York, **Tuesday**, February 24, 2015 at 8:30am.

### ATTENDANCE:

Bruce Bohnsack  
Tom Cappadona  
Paul Colarusso  
David Fingar  
Greg Fingar  
Tony Jones  
Robert Sherwood  
Colin Stair  
Sarah Sterling  
Scott Wood  
Michael Vertetis

### MEMBERS EXCUSED:

Mary Bartolotta  
Bill Better  
Rick Bianchi  
Jim Campion  
David Crawford  
Bruce Finn  
Patrick Grattan  
Don Kline

### REPRESENTATIVES:

Supervisor John  
Porreca

### COUNSEL:

Andy Howard

### INVITED GUEST

Alexander "Sandy"  
Mathes

### STAFF:

Lisa Drahashuk  
Ken Flood  
Martha Lane  
Carol Wilber

### PUBLIC

Supervisor Ellen Thurston  
Susan Troy  
Supervisor John Reilly  
John Mason

Mr. Crawford called the meeting to order at 8:34 a.m.

### **Minutes:**

Mr. Flood asked if there were any changes to the minutes of November 25, 2014. Mr. Cappadona made the motion to approve the minutes as corrected. Mr. D. Finger seconded the motion which was passed by all present.

### **Alexander "Sandy" Mathes, Jr. Presentation:**

Mr. Bohnsack introduced Mr. Mathes, the Chief Executive Officer of the Otsego Industrial Development Agency. He informed the Board that Mr. Mathes had been asked to give a presentation on his efforts to bring broadband to the County of Otsego. Mr. Bohnsack stated Mr. Mathes would be offering direction and relating his progress to the Board. He noted that the counties were similar in size and shared the same goal in bring broadband to the entire county.

Mr. Mathes stated Mr. Crawford and Mr. Bohnsack had felt he could advise the Board on his experiences in bringing broadband to Otsego County. He stated the IDA had taken economic development over from Otsego County allowing the IDA to fast track the project. He stated an analysis of the full county had been done and a detailed plan had been produced. He handed out copies of the plan to the Board members.

He then outlined the steps that followed. The IDA took the lead in the project forming a public private partnership, which included Otsego County. An RFQ was written and interested responders were given the information via phone, with a deadline of one week. He stated the IDA contributed \$50,000 for the study. A coverage analysis was done, identifying gaps and priority areas. He noted a timeframe was developed and public sources of funding were identified.

He stated the IDA had attempted to get the information out to the public in a credible way and so had held 2 briefing sessions which were all inclusive. He noted he had met with Connect NY multiple times in order to have the best chance at funding. He stated currently they are working on the makeup of the public-private partnership. He stated they would be tapping into all funding sources including federal. The private sector was important for their knowledge of implementation. He stated it was anticipated that \$30 million would be required for full build out of the 3 phases. The private sector was charged with confirming the cost of implementation, projections of customer connections and when the project would come to the break-even point. They will need to determine how much public money is required and if the IDA would like an equity role at the break-even point. He stated 87% of Otsego County was underserved or not served by broadband.

Mr. Mathes asked if there were any questions from the Board. Mr. D. Fingar asked if Middleburgh Tel would be installing fiber. Mr. Mathes stated he was unsure exactly how and with what they would expand the infrastructure. He noted the county required more emergency towers for their system, which would be used for expanding the broadband as the county's equity contribution. Mr. Bohnsack asked if the county was willing to build towers for wireless connections. Mr. Mathes stated the group would need to do this, not specifically the county and it would be included as equity to the partners. He noted that clear communications between the partners was essential.

Supervisor Reilly asked who the applicant would be for the funding, noting there was equity from both the IDA and the county. Mr. Mathes stated the county would not be the applicant. Either the group or the IDA would apply. He stated the IDA could bond, or issue an aggressive PILOT or give cash. He stated the "Main Street" portion of the project would be funded privately. He noted NYS stated they would fund up to 80% of the cost of the rural areas. Supervisor Reilly asked if county land could be used as equity. Mr. Mathes stated it was a case by case situation.

Mr. G. Fingar asked what the role of CEDC would be in a similar project in Columbia County. Mr. Mathes stated it is the Board's decision, but cautioned that they don't want government "driving the bus" and noting that "any success means that government wasn't in control".

Supervisor Reilly noted Columbia County's topography wasn't accessible due to mountains. He stated that in addition to cable and wireless the use of "white space" can be used to fill the gaps. Mr. Mathes referred the Supervisor to Jim Becker for the best advice in that matter.



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Ms. Susan Troy asked if the respondents to the RFP would have an opportunity to address the CEDC board as Mr. Mathes had just done. Mr. Mathes stated he didn't mean to promote any specific companies, but only gave the names for a resource.

Mr. Flood stated he would be going to his County government committee later today with the respondents to the RFP. He noted Columbia County was at 97% underserved or not served. He stated the committee to review the submitted proposals would consist of 2 supervisors and Supervisor Ron Knott as Chair, with an additional 2 representatives from CEDC. He noted that the CEDC Board could ask the companies to present. Supervisor Reilly stated the RFP was only for a study. He noted there would be time later in the process for others to participate. Ms. Troy responded that the others presenting may not have a connected cheerleader present.

Mr. Flood noted the CEDC Board contained Mr. D. Fingar from Mid-Hudson Cable and Mr. Bohnsack from G-tel who could help inform and guide the board. He noted that Columbia County owned very few towers and leases space on others. Mr. Fingar stated Mr. Mathes is speaking to CEDC and the IDA heading the broadband efforts, while currently Columbia County is heading the efforts. Mr. Flood noted that Columbia County was unable to apply for some of the money discussed and noted the outcome would be the same.

Mr. Fingar noted it was important to have a study that would provide for the best service. Mr. Flood agreed. He stated that Mr. Crawford had agreed to be on the review committee for the County Study. He stated he needed another person from CEDC to sit on the committee that reviews the studies. Mr. Bohnsack and Mr. D. Fingar felt it was a perceived conflict of interest if they sat on the committee. Mr. Howard agreed. Mr. Colarusso volunteered to sit on the review committee. Mr. G. Fingar made a motion to recommend Mr. Crawford and Mr. Colarusso to seats on the Columbia County Broadband Study Review Committee. Mr. D. Fingar seconded the motion, which passed unanimously. Mr. Mathes and Ms. Troy exited the meeting.

## **2015 Economic Development Work Plan Discussion:**

Mr. Flood stated this topic came out of the CEDC sub-committee meetings. He noted it included an increased commitment by CEDC and the Columbia County Board of Supervisors as well as projects to do in 2015. He stated the Board packet attachment had been prepared to outline the priorities and projects. He asked Supervisor Reilly to address the Board regarding the plan.

Supervisor Reilly stated he had met with several people in the room including Mr. Flood in order to gain a "feel" for economic development. He stated he felt it was an odd way to address economic development in the county, noting the budget was not substantial and he felt it was a drop in the bucket. He noted the County would be involved in any way it could be involved. He noted as a beginning, he felt the committee Mr. Flood reported to on behalf of CEDC should

include Tourism. He stated the County needed Mr. Flood to focus on economic development tasks, and noted the need to become more visionary. He addressed the \$500 million in broadband funding, noting CEDC would need to focus on obtaining part of that funding.

Supervisor Reilly stated focus should center on seeds of growth and future vision along with projects that create industries. He stated tourism and recreation should be looked at, noting the Harlem Valley Rail trail anticipated expanding through Columbia County from Copake and Hillsdale and into Chatham. He stated agriculture was important noting the goat farming industry. He noted county infrastructure and technology were important as well, noting the importance of the Columbia County airport water and sewer projects and the broadband study.

Supervisor Reilly summarized 4 key points, 1) focus on a vision and applying for funding; 2) retainage of businesses; 3) surveying and meeting with businesses and 4) increasing business entrepreneurship, by making the area attractive to them. He noted he was attempting to open communications with CEDC.

The Board discussed the chances at the two pools of money available to them currently. Mr. Flood noted that Columbia County currently has no real business representative at the Regional Economic Development Council. He noted he had been lobbying to have a Columbia County business person get the council seat. Supervisor Porreca stated he had met with the Land Conservancy representatives and had been surprised to learn how popular the trail systems were and how much money they brought to the County. He agreed an emphasis should be placed on that industry.

Mr. Flood stated due to the shortage of time, he would not go into detail about the sewer and water study. He noted the CEDC Board had authorized the RFP and was still talking to the respondents. He noted recent Claverack zoning changes being considered would be allowed to go through the process of review prior to the study proceeding.

Mr. Flood noted that Mid-Hudson would become the internet provider for CEDC replacing Verizon.

With no further business, Mr. Vertetis made a motion to adjourn the meeting, which was seconded by Mr. Cappadona. The meeting adjourned at 9:44am.

*Respectfully submitted by Lisa Draushuk*