

**IDA**  
**CONFERENCE ROOM**  
**LAKE PLEASANT, NY**

**MAY 11, 2010**

The meeting was called to order at 1:00 P.M. with the following members present:

Brian Towers, Chairman  
Fred Fink  
William Faro  
Robin Morrison  
Robert Peck

Absent: Tim Pine and William Farber

Also Present:  
William Osborne, Executive Director  
Laura Abrams, Secretary  
Pete Klein, Press

Motion to adopt the minutes of March 9, 2010 by Mr. Peck, seconded by Mr. Morrison.  
Carried.

Treasurer's Report:

The updated financials were handed out along with copies of the 2009 audit. There were no issues with the audit. Bill Osborne handed out a letter from a delinquent loan. The loan holder states that he will begin making payments next month and hopefully be current by the end of the summer. Bill O. and he had a long conversation where Bill informed him that not hearing from him, ignoring letters sent to him and not returning phone calls was not satisfactory. He apologized. He is not going to open the Indian Lake Market this year; he is operating his restaurant "Owl at Twilight" which is a property that the IDA holds a first position mortgage on. We finally heard from him when we had Tim Schofield write a letter indicating that we would initiate foreclosure proceedings if we did not hear from him. Robin asked Bill O. if he asked him for copy of the insurance on the restaurant. Bill O. stated he did not, but he will send him a letter.

Fred asked Bill O. to check with counsel that if we allow this, are we creating a norm down the road. Bill O. agreed, we should ask that if we do it once are we implying it is ok. Fred stated that he feels we should wait until we get that answer. Bill O. stated he will check with counsel to make sure what we need, maybe a letter verifying that this is one time only. Fred stated his principal concern is that we not impair our collateral (the mortgage) and/or our ability to move expeditiously to foreclosure if we deem it necessary. Bill O. stated that he went as far as to speak to the Essex County IDA to see if they might be interested in buying this loan from us. They had no interest.

The Chairman stated that his letter indicates that by the end of the month he is going to start making payments. Bill O. stated yes, he has a buyer for a substantial amount of equipment. If he is able to sell this equipment then he will be able to get current with this loan. Then he will begin to make regularly scheduled payments. The Chairman stated that his letter states that he will start bringing this up to date by the end of this month and every month hereafter and when the sale of the equipment goes through he will make the loan current. The Chairman stated to the Board that if we don't see a payment by the end of this month, he leaves us little choice. Bill O. stated that he has not calculated penalties and late charges. If he doesn't make the payment we will have to do that because that would be part of any action we might take.

Bill Faro asked what type of payment he is going to make, one month, double payments. Bill O. stated that he is going to make monthly payments. The sale of the equipment would take care of the 7 months he is behind. Bill O. stated that the loan holder indicated to him that if he was not able to sell the equipment he felt that he could become current by the end of this summer with proceeds from the restaurant.

Bill O. reiterated that he will take care of the insurance and he will discuss with counsel that we are not setting some type of precedent.

Fred stated he had some questions on the audit that he would like to take up with Mr. Dinolfo. Bill O. stated that he will set it up.

Motion to accept the Treasurer's Report by Mr. Faro, seconded by Mr. Fink. Carried.

Payment of Bills:

Timothy J. Schofield	\$960.00
NBT Bank	\$850.00
Camoin Associates	\$935.30

Bill O. explained that the Tim Schofield bill has to do with the contract between the IDA and the County of Hamilton, granting the County of Hamilton space on the tower on top of Oak Mt., which also included the transfer of the Acorn Property to the IDA. Robin stated that we need to make notice to our insurance agent. The condition of the buildings on the Acorn property was discussed.

The Chairman asked if there is any interest in going to the Acorn property to see the buildings. Bill O. stated that we could have our next meeting there.

Motion to pay bills as audited by Mr. Morrison, seconded by Mr. Fink. Carried.

Executive Director's Report:

Bill O. explained there is a resolution in everyone's packet. The IDA needs to open another checking account. We are going to open it at Community Bank in Indian Lake to

transfer the USDA grant from the account it is currently in at the Community Bank to our new account.

After the following resolution was placed on the floor, Bill O. stated that we are required under the agreement for the USDA grant to keep this money in a separate account. When we took out the NBT loan, part of their request was that we had to transfer our IDA account, which was in the Indian Lake bank, to NBT here is Speculator. Bill O. stated that he would like to keep the USDA money in the bank in Indian Lake to give the IDA a presence in both of the local banks in Hamilton County. Bill O. further stated that he asked Mr. Dinolfo about it and he didn't see where it would make any difference to him if the accounts are in two different banks.

**RESOLUTION NO. 1-10**

**CORPORATE AUTHORIZATION RESOLUTION – COMMUNITY BANK  
NATIONAL ASSOCIATION**

**DATED: MAY 11, 2010**

**BY MR. PECK:**

The IDA resolves that:

1. The Community Bank National Association is designated as a depository for the funds of the Corporation and to provide other financial accommodations indicated in this resolution.
2. This resolution shall continue to have effect until express written notice of its rescission or modification has been received and recorded by the Financial Institution. Any and all prior resolutions adopted by the Board of Directors of the Corporation and certified to the Financial Institution as governing the operation of this corporation's account(s), are in full force and effect, until the Financial Institution receives and acknowledges in express written notice of its revocation, modification or replacement. Any revocation, modification or replacement of a resolution must be accompanied by documentation, satisfactory to the Financial Institution, establishing the authority for the changes.
3. The signature of an Agent on this resolution is conclusive evidence of their authority to act on behalf of the Corporation. Any Agent, so long as they act in a representative capacity as an Agent of the Corporation, is authorized to make any and all other contracts, agreements, stipulations and orders which they may deem advisable for the effective exercise of the powers indicated on page one, from time to time with the Financial Institution, subject to any restrictions on this resolution or otherwise agreed to in writing.
4. All transactions, if any, with respect to any deposits, withdrawals, rediscounts and borrowings by or on behalf of the corporation with the Financial Institution prior to the adoption of this resolution are hereby ratified, approved and confirmed.

5. The Corporation agrees to the terms and conditions of any account agreement, properly opened by any Agent of the Corporation. The Corporation authorizes the Financial Institution, at any time, to charge the corporation for all checks, drafts, or other orders, for the payment of money, that are drawn on the Financial Institution, so long as they contain the required number of signatures for this purpose.
6. The Corporation acknowledges and agrees that the Financial Institution may furnish at its discretion automated access devices to Agents of the corporation to facilitate those powers authorized by this resolution or other resolutions in effect at the time of issuance. The term “automated access device” includes, but is not limited to, credit cards, automated teller machines (ATM), and debit cards.
7. The Corporation acknowledges and agrees that the Financial Institutions may rely on alternative signature and verification codes issued to or obtained from the Agent named on this resolution. The term “alternative signature and verification codes” includes, but is not limited to, facsimile signatures on file with the Financial Institution, personal identification numbers (PIN), and digital signatures. If a facsimile signature specimen has been proved on this resolution, (or that are filed separately by the Corporation with the Financial Institution from time to time) the Financial Institution is authorized to treat the facsimile signature as the signature of the Agent(s) regardless of by whom or by what means the facsimile signature may have been affixed so long as it resembles the facsimile signature specimen on file. The Corporation authorized each Agent to have custody of the Corporation’s private key used to create a digital signature and to request issuance of a certificate listing the corresponding public key. The Financial Institution shall have no responsibility or liability for unauthorized use of alternative signature and verification codes unless otherwise agreed in writing.

Seconded by Mr. Faro and adopted by the following vote:

AYES: TOWERS, FINK, MORRISON, PECK AND FARO

NAYES: NONE

ABSENT: FARBER AND PINE

Bill O. stated that he finally has proposed amendments to Verizon’s existing lease. This amendment extends the lease for another 15 years and increases the lease amount to \$16,500 per year and gives them the ability to do the work they plan to do at some future date.

Motion to authorize the Chairman to sign the new Verizon lease by Mr. Faro, seconded by Mr. Morrison. Mr. Fink asked if the rental inflator in the current lease is the consumer price index. Bill O. stated that it is different with each lease, but he thinks it is 3% per year. It was discussed how this new lease increases the value of the cell tower. Bill O. stated that the Board has previously agreed to go ahead with the lease with Verizon at \$16,500.

Motion Carries.

Bill O. stated that when we get signed copies of this lease, then everything will be in place to put together a pack to sell the cell tower if that is the wish of the Board. At Robin's request he did an analysis of the income etc. and sent it out. It is going to involve a considerable amount of work on his part to put it together, so with the \$46,000 a year income would we offer it with a minimum bid, right to refusal and then at what price would we sell it or elect to keep it.

The Chairman stated that ultimately if the goal is to keep the cell tower there is no point in putting Bill O. and the rest of the Board through the process of doing this. He doesn't know what the overall feeling of the group is. Obviously when we were taking in \$17,000 a year, we needed to sell it to pay off the loan, now that it is \$46,000 it can make the loan payments, is it something we think we should keep?

Robin stated that it is a pretty solid income stream. Bob stated that he would ultimately like see the IDA sell it, but he thinks we need to probably keep it short term to pay the loan. Bill O. stated that he feels we can sell the tower for enough to pay off the loan. If there is a market for the tower was discussed. Bill O. stated there has been interest. Bill Faro stated that he feels the cell tower should be bundled with Oak Mt. and sold as a package.

Bob asked what Oak Mt. is costing the IDA annually. Bill O. stated \$12,000 for insurance, things are deteriorating, at some point the parking lot and road will need to be fixed, the boiler on the new lodge is cracked, and the old lodge needs work. Fred asked if the deteriorating would have been greater if it had not been maintained and kept open. Bill O. stated yes.

Bill O. stated that there is a group forming in Speculator that is calling themselves the Friends of Oak Mt., they are looking to form a 501c3 corporation called FOOM with the goal of leasing Oak Mt. Ski Center from the IDA. Bill O. stated that he believes their ultimate goal is to somehow own Oak Mt.

The Chairman asked if the revenue from the cell tower generates the kind of income the IDA will need to make payments on the loan as well as provide enough money to make the upgrades needed. Bill O. answered no, not in the short term; it is one or the other.

Bill O. feels that a community group trying to buy the ski center would find it a more attractive proposition with the income from the cell tower. If they have to bond or borrow money then that income could go a long way to handle some debt service. He feels that at some point this group is going to come to the Board to see what we will sell it for. Bill Faro asked how receptive would this Board be if the same proposal was put to us for Indian Lake Market, are we setting a precedent. Bill O. doesn't feel we are setting any precedent, this is a property we own, we are an industrial development agency, not a for profit bank. Do we believe that employing 19 people in the winter time is part of our mission?

The Chairman asked if the Board wants to put together a packet to put the tower on the market or do we want to wait.

Fred stated that in his opinion he doesn't see anything in the Property Disposition Policy that requires the IDA to sell this piece of property. A transfer of property can occur even by way of a lease transaction. With the cell tower we made a lease transaction.

The Board agreed to not sell the cell tower at this time.

Bill O. handed out the assessed value of the equipment on the cell tower. When he gets the tax bills he has to apportion to each of the people who are on the tower based on the value of their equipment and they will pay the taxes.

Bill O. handed out a letter from the Office of Community Renewal closing out the 2005 Community Development Block Grant.

Bill O. reported that the Fresh Look Remodeling revolving loan is done and has been closed out. Bill O. reported that it worked better than he thought it would, so if a similar circumstance arises, it is something the Board may want to consider.

Bill O. reported that he is retiring at the end of this year.

Bob asked Bill O. if he has received the accounting from the Village regarding Oak Mt. Bill O. stated that it is not finalized yet, he doesn't know why it is not. The Chairman stated that when the Mayor came and did a presentation about Oak he did not make a commitment one way or the other as to their desire going forward. Have they indicated their intentions at this point? Bill O. stated that he received a notice from the Clerk of the Village of Speculator notifying him that the Village had cancelled the insurance, is having the electricity turned off and the phone disconnected. That would indicate to him that they don't have any plans to run it. He believes that this group called FOOM is taking the lead, but doesn't know for sure. The Chairman stated that if FOOM doesn't pull it together and the IDA doesn't go out and try to find someone to open the ski center it is not going to open this winter.

As there was no further business, motion to adjourn by Mr. Morrison, seconded by Mr. Faro. Carried.