

Ulster County Economic Development Alliance
P.O. Box 1800, 244 Fair Street
Kingston, NY 12402-1800
Tel: 845.340.3556



MINUTES

Meeting of the Board of Directors
March 6, 2018

A meeting of the Board of Directors of the Ulster County Economic Development Alliance was held at 4:30 P.M. on Tuesday, March 6, 2018, Legislative Chambers, 6th Floor, Ulster County Office Building, 244 Fair Street, Kingston, NY.

The following Board Members were present:

Julie Cohen Lonstein	Chair
James Maloney	Vice-Chair
Ward Todd	Secretary
Burton Gulnick, Jr.	Treasurer (arrived shortly after roll call)
Kenneth Crannell	
Robert Sudlow	
Hector Rodriguez	

The following Board Members were absent with notice:

None

Board Counsel:

Jennifer Clark	Assistant County Attorney
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Chief Financial Officer:

Christopher J. Rioux, CPA, Deputy Commissioner of Finance

Ulster County Office of Economic Development Staff:

Suzanne Holt, President & CEO
Timothy Weidemann
Bernadette Andreassen

Additional Attendees:

Lynn Archer	Legislator, District No. 21
Lawrence Gottlieb	HVEDC
Brian Gates	HVEDC
Joseph K. Maloney	Legislator, District No. 2
Lisa Berger	Director, Ulster County Office of Employment and Training
Stephen Burger	Central Hudson

This institution is an equal opportunity provider, employer, and lender.

The meeting was called to order by Chair Julie Cohen-Lonstein at 4:35 P.M.

MINUTES

Motion: Kenneth Crannell, seconded by Ward Todd, moved to approve the Minutes of the February 6, 2018 and February 15, 2018 meetings. Copies of said minutes are on file.

Vote: The motion was adopted.

FINANCIALS

CPA, Deputy Commissioner of Finance, Christopher J. Rioux, reported that the financials for the period ending January 31, 2018 were not available.

Mr. Rioux stated that an Audit/Finance Committee meeting will need to be scheduled before the end of the month to have the Auditors present as well as a Special Meeting of the Board of Directors for approval of the audit.

PRESENTATIONS

Hudson Valley Economic Development Corporation (HVEDC)

Larry Gottlieb, from Hudson Valley Economic Development Corporation (HVEDC) presented the Board with a summary of what the HVEDC organization has done in support of the County of Ulster in the year 2017.

He thanked the Board for their support and continued by giving examples of how the Board's funds are put to use to promote the economy in the Hudson Valley. Mr. Gottlieb also provided printed copies of informational pamphlets regarding HVEDC to the members for their reference. (Copies of said pamphlets are on file.)

Mr. Gottlieb's presentation included, but was not limited to the following:

- HVEDC is a seven-county organization founded a little over fifteen years ago.
- HVEDC is the lead Economic Development Organization for this region.
- HVEDC has helped create initiatives such as the Hudson Valley Food and Beverage Alliance and Hudson Valley 3D Printing.
- During 2017, HVEDC was involved in about 32 projects covering the region which resulted in 3.1 million square feet of either new or expanded space within the Hudson Valley.
- As a result, job numbers and capital investment totaled 1.5 billion dollars in the Hudson Valley and 3,600 new jobs to the region.
- HVEDC is currently encouraging greater work force development.

- There were 15 project leads specific to Ulster County.
- HVEDC works with the County to set up site visits.
- HVEDC was instrumental in the Engineering Innovation Hub which is currently under construction and will house an expanded center for Hudson Valley Advanced Manufacturing Center as well as mechanical engineering and other engineering programs.

Central Hudson

Suzanne Holt circulated a Press Release which was recently generated from the Town of Saugerties relative to the first project with Central Hudson. (A copy of said Press Release is on file.)

Stephen Burger, Senior Director with Central Hudson, addressed the Board concerning the need to grow the gas business. He also stated that he would be willing to talk to anyone who had questions regarding the first project along King's Highway; however his objective today was to speak about providing a dedicated feed to Northeast Solite, a business which creates a lightweight aggregate for the concrete industry. He stated the following:

- Negotiations started with the Solite Company approximately five years ago; however, although the company was interested, they could not come up with financing.
- The project would include converting a coal burner to natural gas.
- The process would require: to tap Central Hudson's transmission line, to build a regulator station and to then run a distribution pipeline to the kilns.
- The cost of the work required would total about 1.5 million dollars.
- Due to the tariffs set by New York State, Northeast Solite is required to pay for this project.
- The revenue received by Central Hudson coming from Northeast Solite will be used to offset the cost of fuel for firm rate buyers and reduce their cost, thus making it a "win-win" project.
- A copy of a map was presented to show the proposed gas distribution expansion for the site. (A copy of said map is on file.)

Mr. Burger concluded by requesting the Board's permission to utilize the Ready-to-Go Funds and then allow Central Hudson to leverage that with an additional of \$100,000.00 from the Shovel-Ready funds to support this project.

Suzanne Holt reminded the Board that initially Central Hudson had put money into the Ready-to-Go Funds and a portion of those funds were spent toward the gas line on King's Highway. Additionally, pursuant to the terms of a contract between UCEDA and Central Hudson, any funds remaining were to be returned. Accordingly, the amount of \$60,908.00 was ultimately returned to Central Hudson. The request made on behalf of Central Hudson today is to return the check to UCEDA and amend the contract so that the money can be used for the Northeast Solite project.

Ms. Holt confirmed with Jennifer Clark, counsel for UCEDA, that amending the existing contract would be the correct procedure if the Board wished to go forward.

Hector Rodriguez questioned the need to return the money to UCEDA. Mr. Burger responded to his request by stating that Central Hudson needs other support from either municipal, county or state agencies to be able to leverage the dollars with respect to a project such as this.

Before a motion was made, Chair Lonstein expressed a concern regarding moving forward on this issue without the input of the County Comptroller since an audit by his department is in progress and the previous Ready to Go project was one of the projects which Mr. Auerbach was questioning. She suggested that before proceeding, the Board should obtain an understanding from the Comptroller to be certain that there are no objections to the Board entering into an amended contract.

After some discussion, it was suggested to draft a letter to the Comptroller before acting on the Contract amendment.

Motion: James Maloney, seconded by Kenneth Crannell, moved to approve the amendment to the contract with Central Hudson pending clarity from the Ulster County Comptroller.

Discussion: Hector Rodriguez questioned the necessity to reach out to the Comptroller with regard to this issue. Kenneth Crannell stated that due to the recent questions raised by the Comptroller with regard to the previous project with Central Hudson, he believes that making such a request now regarding an amendment would be a very appropriate step to take before proceeding.

The discussion resulted in no change to the original motion.

Vote: The motion was adopted.

UPDATES

Suzanne Holt reported the following:

Education and Training: Approximately 6 events are scheduled, including one in New Paltz, Saugerties and Esopus relative to Community Economic Development. Ms. Holt's staff is also currently working with the Town of Rochester to schedule an event date.

Business Attraction Marketing Campaign: The Board will be acting on a contract with Luminary Media today under "Old Business". If acceptable, it will kick off tomorrow.

Ellenville Million: The Board will be acting on contracts for PCT Training as well as a contract with Yoga Vida further down on the agenda today.

COMMITTEE REPORTS

Revolving Loan Fund Committee

Committee Chair, James Maloney, advised the Board that applications submitted by Yoga Vida, LLC and Fruition Chocolate were approved for loans in the amount of \$100,000.00 each.

Mr. Maloney also stated that a request made by Bread Alone to refinance their balloon payment was approved by the Committee for the balance remaining on the loan at 4% interest.

OLD BUSINESS

HVEDC Invoice (Annual Membership)

Chair Julie Lonstein confirmed with the Board the understanding that although the HVEDC Invoice is in the amount of \$10,000.00, representing the cost of annual dues to the corporation, UCEDA will be reimbursed by UCIDA for one-half the total cost, or \$5,000.00.

Motion: Kenneth Crannell, seconded by James Maloney, moved to approve payment of Hudson Valley Economic Development Corporation (HVEDC) Invoice #1629 in the amount of \$10,000.00. (A copy of said Invoice is on file.)

Discussion: Hector Rodriguez expressed his appreciation for HVEDC's attendance and the presentation given; however going forward, he would like to see more awareness by HVEDC.

The discussion resulted in no change to the original motion.

Vote: The motion was adopted.

Cornell Cooperative Extension of Ulster County Invoice (EM-Grant Match)

Motion: Hector Rodriguez, seconded by Ward Todd, moved to approve payment of Cornell Cooperative Extension of Ulster County's Invoice in the amount of \$3,270.00.

Discussion: Suzanne Holt explained to the Board Members that Invoice #01 and supporting documentation before them from Cornell Cooperative Extension of Ulster County reflects an amount of \$3,270.00. However evidence of two additional contributions was recently submitted by Cornell from the following organizations: Ulster Savings Charitable Foundation in the amount of \$2,500.00 and from Rolling V Bus Corporation in the amount of \$439.10. Ms. Holt offered the Board a choice to add these additional contribution amounts to the Invoice before them for a total of \$6,209.10 or to approve payment of the Invoice #01 in the amount of \$3,270.00 only. (Invoice #01 and supporting documents together with evidence of additional contributions are on file.)

Amended

Motion: Hector Rodriguez, seconded by Ward Todd, moved to approve payment to Cornell Cooperative Extension of Ulster County in the amount of \$6,209.10, which includes payment of Invoice #01 in the amount of \$3,270.00 plus \$2,500.00 and

\$439.10 representing additional contributions recently received from Ulster Savings Charitable Foundation and Rolling V Bus Corporation, respectively.

Vote: The motion was adopted.

PCT Training Contract (EM- Workforce Training Fund)

Motion: Hector Rodriguez, seconded by Ward Todd, moved to approve the Agreement for Professional Services by and between Ulster County Economic Development Alliance and SUNY Ulster County Community College relative to PCT Training in a not-to-exceed amount of TWENTY THOUSAND FIVE HUNDRED FORTY DOLLARS (\$20,540.00). A copy of said Agreement for Professional Services is on file.

Discussion: Hector Rodriguez sought assurance that Ellenville Hospital would be hiring out of the pool of applicants. Lisa Berger stated that this training and certification would be helping people in Ellenville to become extremely employable and good salaries. Suzanne Holt stated that there are 12 people currently in the class now, but it will be offered again. There are four people at the hospital who want to take the class now. UCEDA will pay for up to ten people in Ellenville and Wawarsing.

The discussion resulted in no change to the original motion.

Vote: The motion was adopted.

Yoga Vida Farms LLC (EM-Economic Development Fund)

Motion: Ward Todd, seconded by James Maloney, moved to approve the Agreement for Professional Services by and between Ulster County Economic Development Alliance, Inc. and Yoga Vida Farms, LLC in a not-to-exceed amount of TWENTY ONE THOUSAND FORTY DOLLARS (\$21,040.00). A copy of said Agreement is on file.

Vote: The motion was adopted.

Luminary Media Contract (2018 Business Attraction Marketing)

Motion: Ward Todd, seconded by Robert Sudlow, moved, move to approve the Agreement for Professional Services by and between Ulster County Economic Development Alliance and Luminary Publishing, Inc. in a not-to-exceed amount of EIGHTY THOUSAND DOLLARS (\$80,000.00). A copy of said Agreement for Professional Services is on file.)

Discussion: Hector Rodriguez confirmed that UCEDA will be hiring an independent writer.

In response to a concern expressed by Hector Rodriguez with regard to an administration issue, Suzanne Holt stated that she was given assurance that Brian Mahoney will be heading the 2018 campaign.

Discussion

(continued): Ward Todd added that he was pleased to see Business Attraction included in the Agreement.

The discussion resulted in no change to the original motion.

Vote: The motion was adopted.

NEW BUSINESS

Ulster County Revolving Loan Fund

Motion: James Maloney, seconded by Robert Sudlow moved to recommend the Revolving Loan Fund loans to: Bread Alone, Inc., Yoga Vida, LLC and Fruition Chocolate.

Discussion: Hector Rodriguez reiterated his position that he believes this Board does not have to approve funds which were approved by the Revolving Loan Fund Committee.

Vote: The motion was adopted.
Hector Rodriguez voting no.

Cubic Invoice Number 13354 (EM-Tourism Marketing)

Suzanne Holt informed the Board that she receives weekly calls from Cubic and that they have developed a local advisory Board to assist.

Motion: Ward Todd, seconded by James Maloney, moved to approve payment of Cubic Invoice Number 13354 in the amount of THREE THOUSAND DOLLARS (\$3,000.00). Copies of said Invoice and supporting documents are on file.

Vote: The motion was adopted.

OTHER BUSINESS and ANNOUNCEMENTS

Upcoming Meeting Schedule and 2017 Audit

With respect to the presentation of the 2017 Audit, all those members present agreed that a Special Meeting be scheduled for that purpose on Monday, March 19, 2018 at 4:00 PM.

Agenda Format

It was agreed by all Board members present to table the Agenda format to next month.

PUBLIC COMMENT

There was no public comment.

ADJOURNMENT

Motion: James Maloney, seconded by Ward Todd, moved to adjourn the meeting.

Vote: The motion was adopted.

The Meeting was adjourned at 5:41 PM.

Ward Todd, Secretary