

Golden Hill Local Development Corporation  
Minutes of the Board of Directors

Date: May 23, 2012

Time: 6:30 PM

Place: Library Conference Room, 6th Floor  
County Office Building, 244 Fair Street, Kingston, NY

Members Present: Marshall Beckman  
Michael Bernholz (excused until 6:37 PM)  
James Hanson  
Michele Iannuzzi  
Jeanette Provenzano  
Robert Sudlow  
Dare Thompson

Others Attending: Ken Crannell, Deputy Ulster County Executive  
Clinton G. Johnson, Esq., First Assistant Ulster County Attorney  
Justin S. Miller, Esq., Harris Beach, PLLC  
Langdon C. Chapman, Esq., Bonacic, Krahulik, Cuddeback, McMahon & Brady, LLP  
Amy Borden, Paralegal

1. Call the Meeting to Order

Chairwoman Thompson called the meeting to order at 6:31 PM.

2. Minutes of the May 16, 2012 Meeting

Approval of the minutes was called by D. Thompson. M. Beckman made a motion to accept the minutes of the May 16, 2012 meeting. J. Hanson seconded the motion.

J. Provenzano asked whether the minutes should be considered as amended, as a revision was distributed prior to the meeting. Mr. Miller clarified that the revised version as distributed is the version being proposed for approval. D. Thompson called the question. All approved with one (1) abstention by M. Iannuzzi. (M. Bernholz was absent for the vote).

3. Lease and Leaseback Agreements

Mr. Miller noted that the Lease and Leaseback agreements are being modeled after the versions currently used in Orange County. Certain details still need to be addressed.

4. Phase I Environmental Assessment

Mr. Johnson stated that the Board needs to approve the expenditure of approximately Four Thousand, Five Hundred Dollars (\$4,500.00) to hire a contractor to complete a Phase I environmental assessment

Mr. Miller inquired as to the name of the firm that submitted the quote. R. Sudlow explained that the Coordinator of the County's Department of the Environment was asked to find the cost of a generic Phase I assessment. She reported that it would cost between Four Thousand Dollars (\$4,000.00) and

Four Thousand, Five Hundred Dollars (\$4,500.00), however as Brinnier & Larios has already completed certain survey work which would be part of the report, their price may be lower and the report may be completed quicker.

J. Provenzano asked about the funding to pay for such expenditure. J. Hanson noted that it would be part of the Lease and Leaseback agreements. Mr. Johnson confirmed that the County will pay for it, and the LDC will reimburse the County as part of the Agreements.

R. Sudlow stated that the buyer may also choose to complete a Phase I assessment. He noted that for the LDC to complete its due diligence and to provide for greater transparency, it is recommended that the LDC have the assessment completed. Mr. Miller furthered the point by saying it was recommended by Marcus & Millichap to make the Phase I assessment report available to potential buyers. M. Bernholz arrived during this discussion.

Mr. Miller suggested that the Board authorize expenditure of no more than Four Thousand, Five Hundred Dollars (\$4,500.00) to procure the Phase I report. M. Beckman noted that the LDC has a procurement policy in place, which requires the solicitation of bids from a minimum of three (3) parties prior to selection and engagement.

M. Beckman made a motion to authorize payment up to Four Thousand, Five Hundred Dollars (\$4,500.00) for a Phase I environmental assessment. J. Hanson seconded the motion. D. Thompson called the question. All approved.

#### 5. Old Business

- a. D. Thompson noted that the data room is now active. J. Provenzano and M. Iannuzzi noted that neither of them had received the email from Marcus & Millichap with the log-in information. J. Hanson confirmed that they were both shown in the list of recipients.
- b. D. Thompson reminded the Board about the mandatory Authority board member training. J. Hanson stated that he had difficulties signing into the State's Authorities Budget Office training and was unable to complete it as scheduled. J. Provenzano noted that she had difficulties as well, but was able to complete the training. M. Iannuzzi stated that she had no problems and completed the training. M. Bernholz noted that different web browsers may handle the information differently, and M. Iannuzzi used Internet Explorer without incident.
- c. Mr. Miller noted that terms have been struck with Marcus & Millichap for their agreement. They are still working through certain details and conditions of their compensation, but the engagement should be finalized within a week.
- d. J. Hanson asked what actions would be required by the Board to enter into the Lease and Leaseback agreements. Mr. Johnson reminded the Board that the resolution allowing for signature of those agreements was part of the organizational resolution, and no further Board action is required. M. Beckman reminded the Board that the discussion of the content of the agreements will continue.
- e. M. Beckman asked if there is process by which Board members can communicate with each other more expediently than holding a board meeting each time a topic may need to be discussed. He

used the example of having the Board give input to the CEO of the organization, and then allowing him to finalize the language without waiting for a subsequent meeting. J. Hanson clarified that all Board members will have opportunity to review materials and provide feedback or ask questions, but that it would not require a Board meeting before moving forward.

D. Thompson stated that the assumption is that all Board members check their email at least daily. Therefore, if no negative response or any questions are raised within twenty-four (24) hours of sending an email, the information can be acted upon. J. Provenzano asked if the drafts will be available in the data room. D. Thompson stated that Marcus & Millichap may be setting up a separate area where only Board members will have access, or that the documents may simply be sent via email.

- f. M. Bernholz asked Mr. Miller if he had any additional information on the process of opening and reviewing bids. Mr. Miller stated that there will be parameters set in place for both the interview and the bid opening processes. He noted that the Board will be conducting the reviews in the most transparent way possible while protecting the fiduciary duty of the Board and the County to protect the confidentiality of the bids.
- g. M. Bernholz asked if Marcus & Millichap has determined the anticipated bid price. J. Hanson stated that the 2011 financial information is not available from the auditors yet. When it becomes available, that information will allow Marcus & Millichap to finalize their analysis. M. Bernholz asked when the data room would be populated with the information. Mr. Miller noted that most information has been provided by the County and is available, but is just hasn't been posted yet.
- h. D. Thompson asked how much could be accomplished through a conference call. Mr. Miller reminded the Board that interactions can be had, but that an in-person quorum is required to take any official actions. M. Beckman noted that if any major issues arose, the offering could be held back until after the next meeting.

6. New Business

Discussion was had about the next meeting date and time. The next meeting for the Board of Directors is scheduled for June 6, 2012 at 6:30 PM.

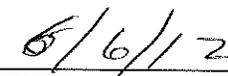
7. Executive Session

M. Beckman made a motion to move into Executive Session. R. Sudlow seconded the motion. D. Thompson called the question. All approved. Executive session began at 7:05 PM.

Respectfully submitted,

Amy Borden

  
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J. Provenzano, Secretary

  
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Date Approved