

Golden Hill Local Development Corporation

PO Box 1800
Kingston, NY 12402

Board of Directors

Dare Thompson - Chair
Marshall Beckman - Vice Chair
James Hanson - Treasurer
Hon. Jeanette Provenzano - Secretary
Michael Bernholz
Dr. Michelle Iannuzzi
Robert Sudlow

Corporate Officers

Robert Sudlow - President & CEO
845-340-3800
rasudlow@gmail.com
James Hanson - Treasurer & CFO
Michael Bernholz - Secretary

Minutes of the Board of Directors meeting of March 21, 2012

Present

Marshall Beckman
Michael Bernholz
James Hansen
Michelle Iannuzzi
Jeanette Provenzano
Robert Sudlow
Dare Thompson
Sean Griffin
Ken Crannell
Langdon Chapman

1. M. Beckman, Acting Chairman, called the meeting to order at 6:30 PM.
2. The minutes of the meeting of March 16, 2012 were amended to reflect that the next scheduled meeting was on March 21, and to correct the spelling of Dr. Iannucci's last name. The minutes, as amended, were moved by J. Hansen, seconded by J. Provenzano, and unanimously approved.
3. Sean Griffin of Harris Beach, PC, provided a comprehensive orientation for the Board of Directors regarding its mission, technical issues, and the process of selling the nursing home. M. Beckman pointed out that, with the express goal of completing the sale transaction by the end of 2013, the Board is on a very tight timeline. According to the NYS Department of Health, the average amount of time it has taken to sell a nursing home in New York is twenty to twenty-four months. Therefore, we must constantly consider options to expedite the Board's work, while balancing expediency with good quality outcomes and fiscal accountability.

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4. Adoption of Resolution No. 1:

A. Election of Directors

- i. Chair: J. Hansen nominated D. Thompson, stating that her status as the independent member would make her an ideal person to chair the Board's meetings and to represent the Board. R. Sudlow seconded the motion, which passed unanimously.
- ii. Vice Chair: R. Sudlow nominated M. Beckman; D. Thompson seconded the motion, which passed unanimously.
- iii. Treasurer: R. Sudlow nominated J. Hansen, stating that his work as Budget Officer for the County would put him in a good position to represent the Board on fiscal matters. M. Bernholz seconded the motion, which passed unanimously.
- iv. Secretary: R. Sudlow nominated J. Provenzano; M. Bernholz seconded the motion, which passed unanimously.

B. Election of Corporate Officers

- i. President/CEO: J. Hansen nominated R. Sudlow; J. Provenzano seconded the motion, which passed unanimously.
- ii. Treasurer/CFO: R. Sudlow nominated J. Hansen, again suggesting that his work as Budget Officer for the County would make him the ideal Board member to oversee day-to-day fiscal matters for the Board. M. Beckman seconded the motion, which passed unanimously.
- iii. Secretary: R. Sudlow nominated M. Bernholz; M. Beckman seconded the motion, which passed unanimously.

C. Selection of Professional Services

- i. There was discussion and agreement that, wherever feasible and appropriate, it would expedite the work of the Board if professional services that the County was already using could also be used by the Board. This discussion noted that the professional services in use by the County have been vetted, have performed effectively, and are competitively priced.
- ii. On a motion by J. Provenzano, which was seconded by R. Sudlow, the Board unanimously voted to use TD Bank for the Board's banking services and Toski Schaefer & Co., PC for accounting services. This will be contingent upon confirmation that these firms will extend the terms of their contracts with the County to the GHLDC.
- iii. There was extensive discussion about the selection of Bond and General Counsel(s). It was noted that Harris Beach PC has provided excellent service to the County in establishing the GHLDC, has strong experience in these areas, and, due to its familiarity with this project, is ideally positioned to represent the Board's interests. It was unanimously agreed that Harris Beach bring proposals for providing bond counsel and general counsel services to the next meeting of the Board (March 28), and that, assuming the costs and scope of services are reasonable and competitively priced, the Board would commit to contracting with Harris Beach, PC for these services. The cost comparison for bond counsel will be based on existing contracts with and/or quotes from other major firms. The cost for general counsel is expected to be the same as

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the County's existing contract with Harris Beach, PC, which is based on the firm's "government rates", which were deemed to be reasonable.

D. Execution of Acknowledgments

- i. All Board members signed the Certification of No Conflict of Interest, and submitted the original copies to the Secretary of the Board, who, in turn, delivered them to the County Attorney.
- ii. All Board members signed the Acknowledgment of Fiduciary Duties and Responsibilities, and submitted the original copies to the Secretary of the Board, who, in turn, delivered them to the County Attorney. This "Acknowledgment" made reference to the Board's mission, which was not clearly stated in any document before the Board. Consequently, the Board unanimously adopted as its mission statement the following language (without alteration) from County Resolution No. 266 of December 5, 2011 (Authorizing the Required Steps for the Golden Hill Health Care Center Transfer and Related Financial Procedures):

"The Corporation shall seek to transfer the land and facilities to the highest qualified bidder. In doing so, it shall examine and consider, where applicable, the bidder's:

- a. Competency and character;***
- b. History of employee relations and practices;***
- c. Quality of care of residents;***
- d. Record of retaining facilities subsequent to acquisition;***
- e. Willingness to agree to build a new facility at the site;***
- f. Willingness to continue to care for all existing residents at the time of acquisition (unless otherwise indicated by the New York State Department of Health criteria);***
- g. Financial stability; and,***
- h. Willingness to consider existing staff as potential employees."***

E. Selection of Committee Members

- i. It was noted that, due to the fact that the Board has only one independent member (D. Thompson), it is impossible for the Board to fully comply with the requirement that there be three independent members assigned to each committee. Consequently, on a motion by J. Hansen, seconded by R. Sudlow, the Board unanimously agreed to the following slate of committee assignments:
 - a. Audit Committee: D. Thompson, J. Hansen, M. Beckman.
 - b. Finance Committee: D. Thompson, J. Hansen, J. Provenzano.
 - c. Governance Committee: D. Thompson, M. Iannuzzi, R. Sudlow.

F. Selection of Officers

- i. M. Beckman volunteered to serve as the Corporation's Freedom of Information Law Officer.
- ii. J. Hansen volunteered to serve as the Corporation's Contracting Officer.

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- iii. On a motion by R. Sudlow, seconded by D. Thompson, these appointments were unanimously approved.

G. Adoption of Various Policies

- i. On a motion by J. Provenzano, seconded by D. Thompson, the Board unanimously agreed to adopt the following policies, without modification:
 - a. Compensation, Reimbursement and Attendance;
 - b. Code of Ethics;
 - c. Whistleblower Policy;
 - d. Investment Policy;
 - e. Travel Policy;
 - f. Disposition of Property Guidelines
 - g. Procurement Policy; and,
 - h. Defense and Indemnification Policy.

5. Adoption of Resolution No. 2: Technical and support services

- a. On a motion by J. Provenzano, seconded by R. Sudlow, the Board unanimously agreed to enter into a contract with the County for the provision by the County of technical and administrative support services, including the creation of a public website for the Corporation.

6. Adoption of Resolution No. 3: Authorization to negotiate lease and leaseback of the GHHCC facilities

- a. On a motion by J. Hansen, seconded by D. Thompson, the Board unanimously approved a resolution directing the officers of the Board to negotiate a lease and leaseback of the GHHCC facilities, subject to final approval by the Board.

7. Adoption of Resolution No. 4: Authorizing officers to solicit Requests for Qualifications (RFQ) for a consultant to assist in the buyer selection process

- a. On a motion by J. Hansen, seconded by R. Sudlow, the Board unanimously agreed to have Ken Crannell, Deputy County Executive, prepare a Request for Qualifications for a consultant to assist in the buyer selection process and to advertise the RFQ; and,
- b. To interview respondents to the RFQs at a Board Meeting on April 11, 2012,
- c. At which time, the Board will select a consultant to assist the Board in identifying a buyer for the GHHCC.

8. Old Business:

- a. None

9. New Business:

- a. It was unanimously agreed that the next meeting of the Board will be held on Wednesday, March 28, 2012 at 6:30 PM, with its primary business to review proposals from Harris Beach PC for Bond Counsel and General Counsel.
- b. It was also agreed that the Board will meet on April 11, 2012 at 6:30 PM to interview candidates for consultant in the sale process.

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- c. L. Chapman inquired about liability protection for the LDC's Board members. C. Johnson, Deputy County Attorney, responded that the Board members are specifically covered under the County's insurance policies, and will produce written confirmation of such at the next meeting of the Board.
- d. M. Bernholz requested that aerial view maps of Golden Hill be made available to him, and that a tour of the property also be arranged. Ken Crannell agreed to arrange for these things.
- e. Sean Griffin, Harris Beach, pointed out that the Corporation will be required to produce an annual report for 2011, which must be submitted to New York State no later than March 31, 2012. He further indicated that his firm will produce and submit the report on behalf of the County, upon review and approval by the President/CEO of the Board. This work will be performed under the County's existing contract with Harris Beach, PC. Because the Corporation did not receive income or spend money in 2011, the report will be minimal.

10. Adjournment:

- a. The meeting was adjourned at 8:45 PM on a motion by J. Hansen, which was seconded by R. Sudlow.

Submitted by:


J. Provenzano, Secretary

4/17/12
Date