

**Watertown Local Development Corporation
Annual Board Meeting
Minutes of Thursday, December 17, 2015**

The Watertown Local Development Corporation held its annual meeting on Thursday, December 17, 2015 at Cavallario's Cucina, 133 N. Massey Street, Watertown, New York.

MEMBERS PRESENT: Jeffrey Graham, President; Jeffrey Fallon, Steve Hunt, RoAnn Dermady, Erika Flint, Dave Zembiec (Designee for Donald Alexander), Mike Lumbis (Designee for Ken Mix), James Mills (Designee for Jeffrey Graham)

MEMBERS EXCUSED: Donald Alexander, Ken Mix, John Vanderloo (Designee for Steve Hunt)

OTHERS PRESENT: Donald Rutherford, CEO; Kim Taylor, Executive Assistant; Craig Fox, Watertown Daily Times, Joseph Butler, Mayor Elect; James Heary, Legal Counsel

I. CALL TO ORDER: Mr. Graham called the meeting to order at 12:10 p.m.

II. MINUTES: Mrs. Flint made a motion, seconded by Mr. Fallon to approve the minutes of November 19, 2015. All in favor, motion carried.

III. FINANCIAL REPORT: Mr. Fallon presented the financials for the month of November. Mr. Fallon stated the amount in the undeposited funds account reflects an outstanding invoice which was paid December 1, 2015. The undeposited funds account has a zero balance as of 12/1/15.

Mr. Rutherford reviewed the delinquent loan accounts.

Mrs. Dermady made a motion, seconded by Mr. Lumbis to approve the November financial statements. All in favor, the motion carried.

IV. CORRESPONDENCE: There was no correspondence.

V. LOAN REVIEW COMMITTEE

Tropical Foods Express: Mr. Fallon introduced a recommendation by the Loan Review Committee to approve a loan to Tropical Foods Express in the amount of \$40,000 for 5 years at 5% interest rate to open an international grocery store to be located at 223 J.B. Wise Place with a 1st position on all business assets and collateral of a 1973 GMC food truck, guarantee of Edirin Igbo-Akita and Elizabeth Jackson. A motion was made by Mrs. Flint to approve the loan, seconded by Mr. Zembiec.

Mr. Rutherford stated Tropical Foods is currently located on Franklin Street. The landlord is unwilling to sign the landlord waiver consent agreement required by the LDC which is another reason Mr. Igbo-Akita is relocating. Mr. Igbo-Akita's new location is located in the same building as FunXcape which is owned by Vina Bonner, a LDC customer and both businesses plan on opening in February 2016. The location will have more visibility, parking, and offer fresh produce, meats and seafood and create three jobs. With no further discussion the loan was approved unanimously.

No Remorse CrossFit: Mr. Fallon introduced a recommendation by the Loan Review Committee to approve a six month principal moratorium to Scott Tolan owner of No Remorse

CrossFit gym beginning January 2016 to June 1, 2016. Mr. Tolan's business membership has reduced significantly due to the recent unexpected deployment of soldiers. A motion was made by Mrs. Flint to approve a six month principal moratorium commencing January 1, 2016 through June 1, 2016 to Scott Tolan with all covenants, agreements, terms and conditions set forth in the Note dated December 11, 2014 remain unchanged and in full force and effect, seconded by Mrs. Dermady. All in favor, the motion carried.

Neighbors of Watertown, Inc.: A motion was made by Mrs. Flint, seconded by Mr. Hunt to approve the renewal of the \$300,000 Line of Credit and the \$200,000 Note to Neighbors of Watertown, Inc. which is used to provide funding for Neighbors first time homebuyers program and assist in timely payments to the contractors working in the program. The interest rate, term and conditions remain the same. The WLDC receives a \$600 fee for each home purchased under the program. All in favor, approved.

NOMINATING COMMITTEE

2016 Board of Directors/Committee: Mr. Graham introduced a recommendation by the Nominating Committee to approve the 2016 Officers and Board of Directors and the committee structure. Mr. Butler will replace Mr. Graham on the various committees' positions. Mr. Graham stated Mr. Mills was his board designee and asked if Mr. Butler would be willing to assign Mr. Mills as his designee January 1, 2016. Mr. Butler concurred and Mr. Mills agreed to serve as his designee for the time being. A motion was made by Mrs. Dermady to approve the 2016 Board of Directors and the committee structure as follows:

President – Joseph Butler
Vice President – Erika Flint
Secretary/Treasurer – Jeffrey Fallon
Director – Stephen Hunt
Director – RoAnn Dermady
Director - Kenneth Mix
Director – Donald Alexander
Designee- John Vanderloo
Designee – James Mills
Designee – Mike Lumbis
Designee – Dave Zembiec

The motion was seconded by Mr. Fallon. All in favor, the motion carried.

PERSONNEL COMMITTEE

Employee Evaluations: Mrs. Flint stated the Personnel Committee conducted the annual evaluation of Mr. Rutherford and recommend Mr. Rutherford's salary to be increased to \$90,000 January 1, 2016. Mrs. Flint stated the committee requests Mr. Rutherford prepare a work plan for the up-coming year based on the goals. The committee wants to evaluate progress quarterly rather than annually. Mrs. Flint stated the committee felt the entire Board should be involved in setting the goals and reviewing the progress and have input on the CEO's annual evaluation as a team approach.

Mrs. Flint stated Mrs. Taylor's evaluation was conducted by Mr. Rutherford and the Personnel Committee recommends a salary increase to \$50,500 effective January 1, 2016.

A motion was made Mrs. Flint made a motion to approve the salary increases to Donald Rutherford and Kim Taylor recommended by the Personnel Committee effective January 1, 2016, seconded by Mr. Fallon. All in favor, the motion carried.

NEW BUSINESS

Snowtown USA: Mr. Graham made a motion to approve a sponsorship in the amount of \$2,000 to the Snowtown USA event held in February 2016, seconded by Mrs. Flint. Mr. Hunt abstained. The motion carried.

Watertown Savings Bank Signature Cards: A motion to approve the Watertown Savings Bank banking resolution authorizing J. Fallon, E. Flint, R. Dermady and D. Rutherford to open and endorse checks and orders for payment or transfer or withdraw funds on deposit with Watertown Savings Bank and furthermore to grant K. Taylor authority to transfer funds and viewing ability of all accounts online, seconded by Mr. Fallon. All in favor. The motion carried.

Legal Counsel: Mr. Rutherford said he received the fee structures from both the Conboy and Menter law firms and one has a slightly higher monthly fee. Mr. Rutherford stated he gave considerable thought in choosing a legal firm for the LDC and personally felt comfortable with the Menter Law Firm. Mr. Rutherford stated Menter has served as legal backup in Mr. Heary's absences and has knowledge of the authority budget practices. Mr. Rutherford said he thought it was important one firm represent both the JCIDA and the WLDC since there are participation loans involving both parties. Mr. Rutherford said he would recommend using Conboy law firm when Menter has a conflict representing the agency. The JCIDA has retained the Menter Law firm as legal counsel as well.

Mrs. Flint made a motion to approve Menter, Rudin, Trivelpiece Law Firm to represent the WLDC, seconded by Mr. Zembiec.

Mr. Graham asked if Mr. Russell would be the attorney attending the meetings. Mr. Rutherford stated Mr. Russell would attend the meetings and in his absence send another partner.

Mrs. Flint requested Mr. Rutherford inquire with the Menter Law firm if they would be willing to lower their fee by \$50.00. Mr. Rutherford stated he would make the request.

Mr. Graham stated Attorney Peter Walton presented his firm very well and he should be thanked for his proposal.

With no further discussion all members were in favor, the motion carried.

Presentation to President Graham: Mr. Rutherford presented Mr. Graham with a jacket from the Board and thanked him for his years of appreciation and dedication to the agency and wished him the best in his endeavors. Mr. Graham thanked the board and expressed the importance of the LDC to downtown and the community.

Presentation to Jim Heary, Legal Counsel: Mr. Graham presented Mr. Heary with a First Citizen award on behalf of the City of Watertown and thanked him for his 33 years of service to the LDC as he was a founder of the agency.

Mr. Rutherford presented Mr. Heary with a jacket from the LDC Board as a token of his dedication and years of service.

Mr. Heary made on last recommendation to the board which was to hold an annual retreat session and allow the LDC authority to lend funds outside the city.

NEXT MEETING: The next meeting will be held on Thursday, January 21, 2016.

ADJOURNMENT: A motion was made by Mr. Hunt to adjourn the meeting, seconded by Mrs. Dermady. All in favor. The motion carried. The meeting adjourned at 12:40 p.m.