

The Watertown Local Development Corporation Board of Directors monthly meeting was held on Thursday February 24 at 8:30 am at the WLDC office located at 82 Public Square.

Present – President Jeff Smith, Michael Lumbis, Steve Hunt, Dave Zembiec, Melinda Gault, Charles Capone

Excused – Michael Pierce

Others Present - Craig Fox, Watertown Daily Times; Joseph Russell, Legal Counsel

Staff - Donald Rutherford, CEO; Kylee McGrath, Executive Assistant

Call to Order –Vice President Zembiec called the meeting to order at 8:34.

Minutes - Minutes of the January 27, 2022, meeting were presented. Motion made by Mr. Lumbus to accept the minutes, seconded by Ms. Gault. All in favor. Carried.

Financial Report

Mr. Capone reviewed the January financial statements. For January 2022 investments were down \$61,337.08 creating a deficit of \$75,492.84 for the start of 2022. There shows Franklin building income, these are the remaining funds from security deposits when a tenant forfeits their security deposit. Ms. Gault made a motion to accept the financial statements, 2nd by Mr. Lumbis. All in favor. Carried.

Mr. Rutherford reviewed the customer loan report. Overall, the customer loan report is good, there are still clients that are on interest only and others that are past due however they are still paying monthly.

Ms. Gault made a motion to accept the customer loan report, seconded by Mr. Hunt.

Loan Review Committee

Mr. Capone presented the loan request for S&J Properties in the amount of \$350,000 with a 3.25%. The first 12 months would be interest only, then the loan would be amortized over 20 years. This would be a participation loan with DANC as the lead lender.

Mr. Lumbis made a motion to approve the loan to S&J Properties as presented, seconded by Mr. Hunt. All in favor, Carried.

Jefferson County Historical Society requested an extension on their loan. The loan review committee recommended extending the loan to July 1, 2022.

Mr. Lumbis made a motion to extend the terms, seconded by Mr. Hunt. All in Favor. Carried.

Governance Committee

Mr. Lumbis presented the 2021 Annual Board Evaluation, overall, the Board was in unison.

Mr. Hunt made a motion to accept the 2021 Annual Confidential Board Evaluations, seconded by Mr. Capone.

New Business

Neighbors of Watertown requested a renewal for their \$200,000 working capital note. NOW submits monthly activity reports to Mr. Rutherford on the use of the funds. Ms. Gault made a motion to renew the \$200,000 working capital note to NOW, seconded by Mr. Hunt.

Mr. Zembiec proposed a \$300,000 grant to the YMCA project. Ms. Gault and Mr. Capone proposed the idea of a low interest rate loan instead of a grant. Mayor Smith agreed he doesn't think that a \$300,000 grant is feasible. Mr. Rutherford reviewed the WLDC's financial position, he has been in constant contact with RBC about liquidity of funds. The WLDC has around \$2 million in committed and proposed loans set to close in the next 6 months. The Board decided to table to decision of a grant to the YMCA until the April Board meeting.

Old Business

Mr. Rutherford reviewed the rail spur surveys. There are 5 companies' interest in talking further about usage of the rail spur. Meetings are being set up as early as next week.

Mr. Zembiec made a motion to enter an executive session at 9:26 am, Seconded by Mr. Capone.

Mr. Hunt made a motion to exit the executive session at 9:36 am, seconded by Mr. Capone.

Mr. Rutherford reviewed the monthly CEO activity report and gave an update on the DRI façade program. Mr. Rutherford has voiced his concern with material delays and lack of responses to the awning project bid.

Next Meeting- The next meeting will be held on March 24, 2022

Adjournment- Motion was made by Mr. Hunt to adjourn the meeting at 9:40 am, seconded by Ms. Gault.