

WHEATFIELD LOCAL DEVELOPMENT CORPORATION

Minutes for Regular Meeting
September 19, 2016 7:00 pm
Wheatfield Senior Center

Call to order: 7:06 pm

Present: Chairman Wagner, Vic Montalbo, Larry Helwig
Richard Muscatello, Bob Cliffe, Attorney Bobbi O'Toole and
consultant Chuck Bell

1. Motion to Approve Minutes from August 15, 2016 Meeting
Motion by Richard Muscatello, Second by Vic Montalbo
Carried: 4 Yea, 1 Abstention

2. Finance Committee Update –

- Bank now has \$1,500 from Town.
- Free checking account with access through on-line banking
- Will furnish statements to the Board
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3. Attorney Expenses Discussion

Attorney has a total of 15 hours to date. At \$175 per hour, this would be \$2,600. However, Roberta O'Toole states that there will be no charge for time at meetings, so present is 8 hours at \$175.

4. Discussion regarding revising the Agreement between the Town of Wheatfield & LDC (see documents)

- a. Chuck Bell had recommended additions to Attorneys

O'Toole and Brooks. The three have written several Changes including:

Section 4.1 – a note stating that monies paid back on a loan Belong to the LDC without restriction

Section 14.2 – language stating that the Town shall Reimburse the LDC for funds received by grant – required as the process for handling of funds.

Section 2.8 – Language regarding Federal Contract Provisions

Section 15.1 – paragraph stating in part that the Town will Look to the LDC for cost recovery if there is a failing

Motion by Richard Muscatello, Second by Vic Montalbo to sign and send the modified agreement to the Town for approval. Passed - unanimous

5. Larry Helwig suggested a tour of the plant. Now that it is up and Running, it would be nice to see. Chairman Wagner will seek a Time agreeable to Mr. Palka and Board Members.
6. Members asked Chuck Bell for clarification of the actual process for receiving funds.

How long might it take once the changes are approved? A month or two.

What is the latest breakdown? \$55,000 deferred loan, \$35,000 loan, with \$7,000 for administrative costs and \$3,000 for consultant fees.

This is primarily for Working Capital? Correct, as well as some for equipment and project expenses.

Consultant stated that it is likely that the project is perhaps 2/3rds completed now; up and running but not all hiring completed.

Client will submit proof of expenses and hiring to the LDC. LDC will send this to the Town and on to OCR. After approval, payment will come to the Town who will then pay the LDC who will then pay grant monies to Jacobs Ladder, while keeping the \$10,000.

Discussed possible methods of determining how much to approve for payment? Chuck suggested matching the percentage of the project as one way. Or so much per job plus expenses? Perhaps \$35,000 for equipment when proof is received, and \$15,000 per job produced up to \$55,000 (four jobs). Full time equivalent jobs; part time could count.

7. What are the next steps to project completion?

Speak with Bob Palka; agree on steps to receive proof to proceed

Need to finalize and sign loan agreement – with \$35,000 money coming first to start repayment to LDC.

Disburse based upon the proof submitted: expenses and jobs.

We can set the parameters for the loan agreement.

Chuck will work with Bobbi regarding loan agreement.

8. Update on D&O and Liability Insurance.

United Insurance is offering D&O for \$505.00 through Travelers, and general liability insurance for \$433.52 thru Selective.

Motion by Vic Montalbo, Second by Larry Helwig to pay United \$938.52 to bind insurance ASAP. Carried, unanimous.

Check was made and given to Bob Cliffe to bind insurance.

Old business: none

New Business: Next Meeting will be October 10, 7:00 pm

Motion to Adjourn at 8:10 pm by Chairman Wagner, second by Larry Helwing. Carried, unanimous.

Respectfully submitted by Secretary Cliffe, September 20, 2016

Approved, October 10, 2016