

The Arts Guild of Old Forge, Inc.
Board of Director's Meeting
April 28, 2010 Minutes

PRESENT: Patty Foley, Rex Germer, Bob Stanton, Bill Simpson, Deb Carhart, Clark Lubbs, Katie Noonan, Kerry Rogers, John Munyan, Kevin Jost, Ed Stafford (via video conference), Jennifer Potter Hayes, Executive Director

EXCUSED: Joan Spring, Gary Lee, Debi Ritz, Helene McAleese, Susan Hazard

CALL TO ORDER: The monthly meeting of the Board of Directors of the Arts Guild of Old Forge, Inc. was called to order by President John Munyan at 6:35PM.

MINUTES: Rex Germer moved and Ed Stafford seconded a motion to accept the minutes of the March 25, 2010 meeting. Deb Carhart asked that a date change be made for the USDA closing from March to April. The motion was carried. Katie will make the date change and will email the March minutes to Jody for posting on the website.

TREASURER'S REPORT: Treasurer Debi Ritz distributed the finance reports to the board for review via email prior to the meeting. The treasurer was not in attendance at the meeting for a verbal report.

NEW BUSINESS DEVELOPMENT: Patty Foley, chair of the New Business Development Committee talked briefly about the Florida property owned by the Arts Center. Her committee hopes to make a recommendation to the board on the actions to be taken on the property at the May meeting.

COMMITTEE REPORTS: No reporting at this time. Once committees begin to meet closer to summer, John will remind everyone to send updates on progress to the secretary prior to the month's board meeting.

EXECUTIVE DIRECTOR'S REPORT: Sent via email prior to meeting. Jennifer Potter Hayes highlighted parts of the report. During April break week, Jennifer was in working and said that business was happening during this time and she may suggest that vacation during this time is scheduled differently so that we can be operating during that time period.

She said that the 2009 budget would be finalized in May as we are still waiting on a report from Moore & Hart. The summer brochure is complete and Jody did an excellent job. In the future the format will need to change. Exaggerate! preparations are underway and the rack cards are in, please take some to distribute. Jennifer noted that Neighbor Day should be fun on June 6, especially with the addition of our involvement with Thunder in Old Forge and having Dino Petrocelli photos for sale and on display. Taste of Home ticket sales are strong. Deb Carhart asked how much we are making on each ticket and Jennifer said the goal was to make \$5000 with 500 tickets being sold. Bill Simpson asked about the board selling raffle tickets for the Hornbeck canoe and Jennifer asked the board to continue to sell the tickets. The raffle is on July 15 and only 500 tickets will be sold. It was suggested that Jody post something on the website that Mother's and Father's Days were coming and that purchasing a raffle ticket would make a great gift. Jennifer thanked those who signed up to help at Paddlefest and to please sign up if you have not. Art Walk will take place on the 1st Friday of every month and the Arts Center will participate from June – October. Jennifer said she is still working with Kerry Rogers on proposals for furniture for the new building. Three interns have been hired for the summer – one for each full time staff member – Barb, Jody and Linda. Kevin Jost asked if the program was structured and suggested there be a clear workout plan and accountability. Jennifer replied noting that this has been discussed and that the interns do have a contract with the hours clearly discussed along with their responsibilities.

CAPITAL CAMPAIGN: Tom Costello will be doing a site visit on May 10-11. They'll go over prospects of donors and many other topics in a series of meetings including an approach on the Arts Center's name and brand. Cultural Resources Management will be conducting a survey by mail of the approximately 4800 people on the Arts Center's mailing list asking them about their interests and ideas. The campaign will be to retire a debt of \$4 million and up to \$6 million total with an endowment.

John Munyan asked about the board working document and if the board thought it was working and if the board was happy with it. The consensus was that it was good.

The press will be invited to a building tour possibly in early May. Hopefully NCPR and other radio and TV affiliates would be invited.

OFAC CONSTRUCTION PROGRESS UPDATE: Kerry Rogers informed the board that the Construction Committee met just before this meeting and will continue to meet on the 4th Wednesday of the month at 5:00pm. Four board members attended the meeting. At these meetings, the committee will be going over Form E for the USDA to track the progress of Gaetano Construction and any sub contractors for work done through a certain date.

Kerry Rogers made a motion that upon the recommendation of the Construction Committee, and the approval of the USDA, I would request that the Board of Directors of the Arts Guild of Old Forge, authorize the request for payment in the amount of \$24,112 from the USDA funding, for legal fees incurred for the closing of the USDA loan. Kevin Jost seconded the motion. The motion carried.

Kerry Rogers made a motion that upon the recommendation of the Construction Committee, and the approval of the USDA, I would request that the Board of Directors of the Arts Guild of Old Forge, authorize the request for payment in the amount of \$11,890.76 from the USDA funding, for technical services associated with the new building, to Saratoga Associates. Kevin Jost seconded the motion. The motion carried.

Kerry Rogers made a motion that upon the request of the Construction Committee, and the approval of the USDA, I would request that the Board of Directors of the Arts Guild of Old Forge, authorize the request for payment in the amount not to exceed \$247,113.00 from the USDA funding, for construction work associated with the new building, to Charles A. Gaetano Construction Corp. Kevin Jost seconded the motion. The motion carried.

Deb Carhart posed the question if the USDA provides reimbursement for past invoices. Kerry said the answer is no. Kevin Jost added that it is clear to Gaetano that certificate of occupancy may be met and we still owe \$1.1 million. The interest rates were negotiated to approximately 5% down from the previous 9% and the accumulated past interest is down to about half of what it was. Discussion ensued on the implications of paying for all of the past and new work at once and retiring the loan before the building is complete. The board came to a consensus that Kerry will review the payment structure and that we should be paying for work that has been completed from the restart of construction.

Kerry added to his report that there are 22 proposed construction contract changes that the construction committee is reviewing. He dispersed a packet that explains each change for the board's awareness and review. All of these changes need to be approved by the USDA.

Kerry Rogers made a motion that upon the recommendation of the Construction Committee, I would request authorization from the Board of Directors of the Arts Guild of Old Forge to seek approval from the USDA for change orders as associated with proposed building changes numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 14, 14a, 15, 16, 17, 19, 20 and 22. Rex Germer seconded the motion. The motion carried.

Kerry then discussed that a sign committee has been formed consisting of Brian Bamberger, Katie Noonan, Barb Getty and Kerry Rogers to review the schematic rendering of the proposed sign. Kerry passed around the design with an explanation of its detail including the goal of a changeable LED panel to be included. He asked for comments from the board. Several questions were asked about the sign and board consensus was to move forward with it. Approval will need to be granted by the Town Planning Board. Kerry thought there would be at least a month or so of the finalization of the sign including sign approval and brand and name determinations that are underway. It would then take about 2-3 months for completion.

Deb Carhart made a motion to move into executive session. Rex Germer seconded the motion. The motion carried. The board moved into executive session at 7:47pm.

Deb Carhart made a motion to move out of executive session. Bill Simpson seconded the motion. The motion carried. The board moved out of executive session at 8:30pm.

Kevin Jost made a resolution to authorize John Munyan, President to appoint a board leader and committee to prepare our current building for sale and or lease, and appoint a real estate firm to list the property after due selection process is complete. Financial terms and contract with a realtor should be approved by the finance committee. This assumes any naming restrictions are resolved. Ed Stafford seconded the motion. The motion carried.

Kevin Jost made a resolution to authorize Kerry Rogers or his designee to properly exit the Eco Gallery contract with Adirondack Studios and to negotiate a fee up to \$6000 for a termination fee. Discussion ensued about this being only a postponement of the Eco Gallery until further logistics could be formulated. Ed Stafford seconded the motion. The motion carried.

On May 5, a presentation will be made to the CAA to discuss the details of their naming opportunity for the new building.

Ed Stafford made a motion to adjourn the meeting. Deb Carhart seconded the motion. The meeting was adjourned at 8:40pm.

The next regular Board of Director's meeting will be held on Wednesday, May 26, 2010 at 6:30pm.

Respectfully Submitted,
Katie Noonan
Acting Secretary