

The Arts Guild of Old Forge, Inc.

Board of Director's Meeting

March 25, 2010 Minutes

**PRESENT:** Patty Foley, Rex Germer, Gary Lee, Clark Lubbs, Katie Noonan, Debi Ritz, Kerry Rogers, Helene McAleese, John Munyan, Susan Hazard, Kevin Jost, Ed Stafford (via video conference), Jennifer Potter Hayes, Executive Director

**EXCUSED:** Joan Spring, Bob Stanton, Bill Simpson, Deb Carhart

**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 6:33PM.

John briefly went over the board working document. He announced that a letter to the members was sent out with our recent news on the USDA loan. Board meetings moving forward will be held on the fourth Wednesday of each month at 6:30pm

**MINUTES:** Kevin Jost moved and Helene McAleese seconded a motion to accept the minutes of the February 17, 2010 meeting. The motion was carried. Katie will email the February minutes to Jody for posting on the website.

**TREASURER'S REPORT:** Debi Ritz went over the finance reports which were emailed to everyone prior to the meeting. The reports included the February General Operating and the February New Building Finance Reports. Debi also added a verbal report on the Community Foundation balances. Debi informed the board that the Community GOP money was withdrawn from the account. As she concluded her finance report she reported to the board that no vote for approval is needed for the finance reports.

Debi Ritz made a motion to withdraw the approximate amount \$535,000 from the Community Foundation. These funds will be earmarked for partial payment of past due monies to Gaetano Construction. Payment will be made at the time of the USDA loan closing. Kevin Jost seconded the motion. The motion carried

Debi Ritz made a motion to request blanket approval for the Community Foundation Building Fund to draw the balance of monies payable to Gaetano Construction to the Adirondack Bank Checking Building Fund. Ed Stafford seconded the motion. The motion carried.

Kevin Jost made a motion to authorize Debi Ritz and Jennifer Potter Hayes to set up three USDA required bank accounts that will be used to transact payments for the USDA loan transactions. Two accounts are set up with Community Bank and one account will be set up with M&T Bank. Gary Lee seconded the motion. The motion carried.

**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. Helene McAleese told Jennifer Potter Hayes that her report was wonderful and that we're lucky to have her. Kevin Jost added that it was very well written. Jennifer then added a few highlight updates for her report.

The membership brunch was successful. As events occur, she will be evaluating each event.

She also spoke about a decision to hire a part-time staff member to learn our etapestry system and to help with

data input, reporting, etc. This is a huge necessity for our organization. The funds for this person's wage will come from the New Building Fund.

USDA UPDATE: Kerry Rogers began a report on the USDA loan with several topics covered. On 3/9/10 Kerry notified the board that Deb Carhart, John Munyan, Mark Levitt, Katie Noonan and Kerry Rogers met with Kathleen Goodman to review the USDA loan conditions. On 3/15/10 John Munyan, Bill Gaetano and Rob Munson of Gaetano Construction, Chris Clarke of Saratoga Associates, Kathleen Goodman and Marty Clarke of the USDA and Kerry Rogers met with Kim Peden for a Pre Construction Meeting.

Kerry informed the board that the Architect and Contractor have required that we have a submission of schedule of values and payment requests. We have requested that all payment requests be submitted early in the fourth week of each month. Upon receipt of these requests, the Construction Committee will meet on the fourth Wednesday of each month at 5:00pm to review the requests for payment to ensure the work is satisfactorily complete and that any materials that are invoiced are on site. In addition, Kerry added that the Board Meeting will be held the fourth Wednesday of each month at 6:30PM, where upon a recommendation from the Construction Committee, the requests for payments will be authorized. A monthly Construction Meeting will be held the fourth Thursday or Friday of each month as well.

Next Kerry ratified the Gaetano Contract Escalation Special Meeting Motion held 3/10/10 through 3/12/10 via email. Ed Stafford made a motion that the Board of Directors of the Arts Guild of Old Forge approve as a change order to the original construction contract with Charles A. Gaetano Construction Corporation for the construction of a new Arts Center building, the itemized escalation costs (attached to email) pursuant to the completion of the contract. Bob Stanton seconded the motion. The motion carried.

Kerry Rogers made a motion that he would like to authorize the payment of legal fees associated with the USDA construction loan closing for the new Arts Center Building. These fees are anticipated not to exceed \$30,000. Helene McAleese seconded this motion. The motion carried.

Kerry reported to the board that the USDA Loan Closing Schedule would be as follows: Pre-closing on 4/7/2010 and the Closing on 4/9/2010.

Kerry told the board that if there is a desire for building tours, there are some guidelines that need to be followed as it will be an active construction site. Safety Equipment is required including hardhats, safety glasses and proper footwear such as low heels and covered toes. General group tours can be done on weekends and evenings, please notify Kerry if so desired. Red Carpet Tours taking place during construction hours need prior contact approval from Sean McNamara, Project Superintendent.

Jennifer Potter Hayes will be identifying a group of board members to meet with Gary Scalzo and Barb Scalise of Scalzo, Zogby & Witting, Inc. in early April to conduct a review of our insurance General Liability, Workman's Compensation and Builders Risk Policies.

Kerry also distributed document copies of the proposed changes for the new Arts Center Old Forge for each board member to review.

Debi Ritz made a motion that be it resolved that to effectuate a loan closing with the USDA – RDA, it has become necessary to request that Claude LeCours subordinate his first mortgage position of the new building to the USDA-RDA; that to induce him to do so, it is hereby resolved that the lien of the LeCours mortgage be spread to the old building to become a first lien ahead of the Gaetano mortgage, which is to be subordinated to the LeCours mortgage thereupon. Kevin Jost seconded the motion. The motion carried.

John Munyan thanked the board for their detailed team work.

**CAPITAL CAMPAIGN:** Kevin Jost and Jennifer offered a Capital Campaign update. From the board's approval they have hired and have been working with Tom Costello of Cultural Resources Management (CRM). CRM has already begun working on the Arts Center project. They have gone over the existing and new donor pools. We need to raise \$4 million. They are taking a deep dive into etapestry and concur with the Arts Center that data input needs to be streamlined thus the result of needing to hire a part time person. Kevin announced that an economic impact study is being conducted. CRM will be working on a mailing to our members and mailing list contacts to learn more about their interests, demographics, etc. Discussions and recommendations will be made on our mission and brand. They'll be working on a timeline with the Capital Campaign committee for all of this, including community relations.

Kevin also added that a meeting was held recently with the CAA and Jennifer, Kevin and Katie attended. The first topic was our message on the Arts Center's new building progress and current and future plans for programming. We also discussed building relationships with the CAA and the Town of Webb, followed by discussions on the CAA's contribution and pledge to the New Building Fund and the terms of the naming associated with this contribution. Kevin concluded that it was a very positive meeting.

John asked about presenting our message to the Town board and it was suggested that we definitely do this.

Katie Noonan made a motion to appoint Kerry Rogers as the Arts Guild of Old Forge, Inc. temporary Acting Secretary until her return on April 12, 2010. Ed Stafford seconded the motion. The motion carried.

Rex Germer commented that we needed to place our USDA announcement more prominently on the website. He thought we needed to get our name out there more. He used North Woods Inn's website and their Facebook page as an example.

Ed Stafford made a motion to adjourn the meeting. Gary Lee seconded the motion. The meeting was adjourned at 7:45pm

The next regular Board of Director's meeting will be held on Wednesday, April 28, 2010 at 6:30pm.

Respectfully Submitted,  
Katie Noonan  
Acting Secretary