

**MINUTES**

**DUTCHESS COUNTY LOCAL DEVELOPMENT CORPORATION**

**Board of Directors Meeting**

**Thursday, September 8, 2011**

**Large Conference Room**

**Dutchess County Economic Development Corporation**

**3 Neptune Road, Poughkeepsie, NY 12601**

**PRESENT:** Henry Killian  
George Stoffers  
David Tetor  
Michael J. Tomkovitch

**ABSENT:** Charles Daniels III  
Angela Flesland  
Phyllis DiStasi Keenan

**ALSO PRESENT:** Rita Brannen, DCLDC CFO  
John MacEnroe, DCEDC President  
Don Cappillino, DCLDC Counsel  
Catherine Maloney, DCEDC Director of Business Development

**GUEST(S):** Ed Lyons, Astor Services for Children & Families

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On Thursday, September 8, 2011 the Dutchess County Local Development Corporation [DCLDC] Board of Directors Meeting was called to order by Chairman Tomkovitch at 8:15 a.m. Present were: Henry Killian, George Stoffers, David Tetor, and Michael J. Tomkovitch. Absent: Charles Daniels III, Angela Flesland, and Phyllis DiStasi Keenan.

Chairman Tomkovitch informed the Board that Mr. Daniels is recusing himself due to conflict of interest because he is on the Board of Directors for the Astor Services for Children & Families and that Mr. Killian has been delayed due to inclement weather but that the information section of the meeting will proceed until he arrives.

**APPROVAL OF RESOLUTIONS**

**Astor Services for Children & Families Project (Village of Rhinebeck)**

For Consideration and Approval of the Final Resolution Authorizing the Issuance of Tax-Exempt and Taxable Revenue Bonds for the Astor Services for Children & Families Project (Village of Rhinebeck).

Mr. Cappillino informed the board that the tax-exempt revenue bond is estimated to be \$12,100,000 not to exceed \$12,700,000 and that the taxable revenue bond is estimated to be \$280,000 but not to exceed \$320,000. He also said that a public hearing was held on Wednesday, September 7, 2011 authorizing

John MacEnroe to sign the documents for this resolution before the closing date scheduled for mid-October. Present were: Chairman Tomkovitch, Don Cappillino, and Ed Lyons.

Mr. Lyons, Chief Executive Officer of Astor Services for Children & Families gave a brief description of the project. Astor would like to construct a 22,000 sq. ft. addition to their facility in Rhinebeck at 6339 Mill Street. The addition will be two-level; each adding another 1,000 sq. ft. One addition is to house the agency's residential treatment program. This program provides mental health behavioral services to children from the ages of approximately five to twelve that would be at risk of being admitted to a psychiatric hospital.

This project involves additional construction to the facility, the renovation of a gymnasium and certain offices, and the realignment of certain parking spots. It also involves refinancing of bonds that Astor might have taken out in 1998 to facilitate the building of the Astor Learning Center which on the premises and houses 20 children in the residential program. This project is important to Astor because the current residential facilities are very outdated and antiquated. The current dormitories and facilities were built in the 1950's and these facilities are needed in order to give proper treatment to the children and for Astor to remain viable in the mental health field.

This project will provide approximately 75 or more construction jobs during the construction phase which will last approximately one year. Local contractors will be used. Astor employs approximately 173 full-time employees and 15 part-time employees at the Rhinebeck facility. Mr. Lyons feels that this project is important to Astor because if it doesn't upgrade its residential facilities in the next five or ten years it will not be able to be competitive and keep sustaining the jobs it currently have in the agency.

A motion was For Consideration Approval of the Final Resolution Authorizing the Issuance of Tax-Exempt and Taxable Revenue Bonds for the Astor Services for Children & Families Project (Village of Rhinebeck) was made by Mr. Tetor, duly seconded by Mr. Stoffers. All voted in favor. Motion carried.

### **APPROVAL OF MINUTES**

Chairman Tomkovitch asked if there were any comments, corrections, or deletions to the August 18, 2011 Minutes of the Dutchess County Local Development Corporation.

A motion was made by Mr. Stoffers, duly seconded by Mr. Killian to approve the LDC Board of Directors Meeting Minutes for August 18, 2011. All voted in favor. Motion carried.

### **LETTER**

#### **Hodgkins & Russ**

Chairman Tomkovitch informed the board that the LDC received a letter from Hodgkins & Russ who is representing M&T Securities as the underwriter for a project involving Astor Services. They have actually represented the LDC as bond counsel before, but they think there may be a conflict of interest and want to avoid any appearance of impropriety due to the fact that at one time they were bond counsel to the LDC in a prior bond issuance. Now that they are presenting a bank in connection with this current Astor project, they want to clarify their relationship and assure everyone that there is no conflict of interest.

Chairman Tomkovitch said that although the LDC basically deals with only three or four law firms on a regular basis, they have never allowed one law firm to represent two entities of the same transaction. He told the board that he doesn't see any conflict with Hodgkins & Russ representing M&T Securities and

Astor even though they have represented the LDC in prior unrelated proceedings. They are asking him to sign a letter that would basically put all of these facts on record so that everyone knows about it.

A motion was made by Mr. Killian, duly seconded by Mr. Stoffers to authorize the proposed representation of M&T Securities for consent and waiver of potential conflicts. All voted in favor. Motion carried.

**OTHER BUSINESS**

There being no further business, Chairman Tomkovitch asked for a motion to adjourn. The motion was made by Mr. Teter, duly seconded by Mr. Killian. All voted in favor. Motion carried. Meeting adjourned.

Respectfully submitted,

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Phyllis DiStasi Keenan, Secretary

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Date

**Meeting Minutes 9-18-11, Approved 10-26-11, Certified 10-26-11**