

COMMUNITY COLLEGE COMMITTEE MEETING MINUTES
JANUARY 9, 2012

COMMUNITY COLLEGE COMMITTEE MEMBERS PRESENT: Henke, Armstrong

COMMUNITY COLLEGE COMMITTEE MEMBERS ABSENT: Idleman, Hicks, Dumas

SUPERVISORS: Rymph, O'Brien, Campbell, Lindsay

Debra Prehoda, Clerk

Kevin Hayes, County Administrator

Roger Wickes, County Attorney

Al Nolette, County Treasurer

Warren County Supervisors and County Administrator

AGENDA AS PRESENTED COMMITTEE NOTICE:

1. Call to Order
2. Discuss Capital Projects
3. Discuss Warren/Washington Counties Civic Development Corporation
4. Other Business
5. Adjournment

Chairman Henke opened for discussion at 2:05 P.M., no quorum Washington County. This was a joint meeting with Warren County Community College Committee, quorum, held in the Bishop Community Conference Center at SUNY Adirondack.

Capital Funding Reallocation - President Heacock stated the counties approval is needed before they can bring the Capital Funding reallocation to SUNY. Bill Long, Vice President of Administrative Services, stated the counties had approved two capital projects with a new master plan but some of the priorities changed. He is requesting the funding be reallocated to different areas. He is proposing to reallocate \$914,500 in funding from the new elevator gymnasium Washington Hall Renovation, \$364,500, renovations to technology area in Washington Hall \$350,000 and kitchen duct work upgrade/improvement in Randles, \$200,000, handouts attached. The proposed reallocation is going toward the Student Center Renovations; HVAC upgrade because the building is not air-conditioned and to improve heating. They will explore all energy savings available. President Heacock stated these projects are funded by capital chargeback funds, no funds from the counties. Warren County approved a motion to present a resolution to reallocate this funding. Due to Washington County not having a quorum, Chairman Henke stated he would sponsor a resolution to reallocate this funding at the January Board of Supervisors meeting.

Counties of Warren and Washington Civic Development Corporation - Kara Lais, Esq., with Fitzgerald, Morris, Baker & Firth, P.C. representing the Warren and Washington Civic Development Corporation (WWCDC) distributed a proposed resolution, resolution approving the issuance of certain obligations by the Counties of Warren and Washington Civic Development Corporation to finance a certain student housing facility project for Adirondack Housing Association, LLC. attached. In order for the WWCDC to issue bonds for this project, the bond allocation requires approval by both counties per the bond counsel for the WWCDC. This is required by the internal revenue code, to qualify for interest free bonds, tax-exempt status. Larry Paltrowitz, Attorney for SUNY Adirondack, stated

the counties have no financial obligation. Roger Wickes, County Attorney, only received this information today and will review further. Chairman Henke referred this matter to the Finance Committee for consideration. The closing is scheduled for January 26, 2012. Warren County approved a motion to move forward with presenting a resolution to their full Board approving the issuance of certain obligations by the Counties of Warren and Washington Civic Development Corporation to finance a certain student housing facility project for Adirondack Housing Association.

Student Housing Project - Regarding the student housing project, ground breaking is scheduled for the end of April and they plan to open for the fall 2013 term. President Heacock stated it is critical to stay on track to open with the fall 2013 term.

Budget – President Heacock stated the state is supposed to fund community colleges up to 40%. In the Governor's preliminary budget, he was going to propose a 2.5% decrease in funding. The SUNY Chancellor plans to propose to the Governor and Legislature that community colleges funding be increase every year for five years by \$205, which would take their funding up to about a third by the State. President Heacock has asked staff to project a 2.5% decrease, worse case scenario, a positive 9%, best case and also flat. His prediction is that the funding will remain flat. They anticipate a slight decrease in enrollment, possibly 40 fewer students. He stated from an enrollment perspective and state funding perspective, he stated they look to be relatively flat. They have gone to all cost centers asking them to remain flat with their budgets. President Heacock agrees with Kevin Hayes, County Administrator, that discussions need to commence on county funding and having those discussions for a multi-year approach. Currently, students pay 50% of the tuition. They have been working with NYSAC on the chargeback issue. Chargebacks have become a large part of their budget. Kevin would like to look at the basis for calculation of the sponsoring County's shares that results from changes in enrollment that in turn affects the fund balance. President Heacock suggested forming a small working group (Committee Chairmen, Budget Officers and County Administrators and President Heacock and Bill Long from SUNY Adirondack) to work on that issue and then report back to the Community College and Finance Committees.

Roger Wickes, County Attorney, asked if SUNY Adirondack has been following any of the attempts by some of the other community colleges looking at turning themselves into two-year schools and divorce themselves from the county. President Heacock stated there are different funding mechanisms for some of community colleges, they are regional campuses and everyone pays the chargebacks with no county sponsorship. President Heacock stated they would provide information on this subject.

The meeting dissolved at 3:20 P.M.

Respectfully submitted,

*Debra Prehoda, Clerk
Washington County Board of Supervisors*



**CAPITAL REALLOCATION PLAN
December 5, 2011**

The following capital projects are being proposed to be reallocated:

Elevator (new) in the Gymnasium	\$364,500
Washington Hall Renovation to Technology Area	\$350,000
Kitchen Duct Work Upgrade/Improvement	\$200,000

Proposed Reallocation to
Student Center Renovation: \$914,500

CAPITAL PROJECT REALLOCATION PLAN

December 5, 2011

Capital Expenditure	Building/Area	Category	Allotment	Reallocation to Student Center
<u>Capital Project No. C01091 (Total Project: \$1,269,015)</u>				
Facility Master Plan-New	Campus Wide	Campus Planning	\$ 150,000.00	\$ -
Parking Lot Lighting	South Parking Lot	Health & Safety	\$ 82,012.50	
Upgrade fire alarm system	Dearlove Hall	Health & Safety	\$ 45,562.50	
Upgrade fire alarm system	Child Care Center	Health & Safety	\$ 27,337.50	
Upgrade fire alarm system	Gymnasium	Health & Safety	\$ 91,125.00	
Upgrade fire alarm system	Science & Humanities	Health & Safety	\$ 109,350.00	
Upgrade fire alarm system	Student Center	Health & Safety	\$ 52,852.50	
Elevator (upgrade)	Washington Hall	Code Compliance	\$ 145,800.00	
Elevator (upgrade)	Student Center (Bookstore)	Code Compliance	\$ 145,800.00	
Elevator (new)	Gymnasium	Code Compliance	\$ 364,500.00	\$ 364,500
Roof Replacement	Warren Hall	Health & Safety	\$ 54,675.00	
<u>Capital Project No. C01092 (Total Project: \$1,456,338)</u>				
Elevator (upgrade)	Student Center / Bookstore	Code Compliance	\$ 148,500	
Replace Roof	Gymnasium	Health & Safety	\$ 236,925	
Replace Roof	Washington Hall	Health & Safety	\$ 236,925	
Bleacher Replacement	Gymnasium	Health & Safety	\$ 136,688	
Washington Hall Renovation to Technology Area	Washington Hall	Program Enhancement	\$ 500,000	\$ 350,000
Kitchen Duct Work Upgrade/Improvement	Randles Conference	Code Compliance	\$ 200,000	\$ 200,000
<i>Proposed Reallocation:</i>				\$ 914,500.00

Supervisor _____ offered the following resolution, and moved its adoption:

RESOLUTION NO. _____

RESOLUTION APPROVING THE ISSUANCE OF CERTAIN OBLIGATIONS BY THE COUNTIES OF WARREN AND WASHINGTON CIVIC DEVELOPMENT CORPORATION TO FINANCE A CERTAIN STUDENT HOUSING FACILITY PROJECT FOR ADIRONDACK HOUSING ASSOCIATION, LLC.

BE IT ENACTED by the Board of Supervisors of Washington County, New York, as follows:

WHEREAS, The Counties of Warren and Washington Civic Development Corporation (the "Issuer") was created pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the "Enabling Act"). Pursuant to the provisions of the Enabling Act and Revenue Ruling 57-187 and Private Letter Ruling 200936012, the Boards of Supervisors of Warren County and Washington County (the "Counties") each adopted a resolution (A) authorizing the incorporation of the Issuer under the Enabling Act and (B) appointing the initial members of the board of directors of the Issuer. Subsequently, a certificate of incorporation was filed with the New York Secretary of State's Office (the "Certificate") creating the Issuer as a public instrumentality of the Counties; and

WHEREAS, the Issuer is authorized and empowered by the provisions of the Enabling Act to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, and lessen the burdens of government and act in the public interest, and in carrying out the aforesaid purposes and in exercising the powers conferred in the Enabling Act, the Enabling Act declares that the Issuer will be performing essential governmental functions; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Enabling Act to acquire real and personal property; to borrow money and issue negotiable bonds, notes and other obligations therefore; to lease, sell, mortgage or otherwise dispose of or encumber any of its real or personal property upon such terms as it may determine; and otherwise to carry out its corporate purposes in the territory in which the operations of the Issuer are principally to be conducted; and

WHEREAS, November, 2011, Adirondack Housing Association, LLC (the "Company"), a New York limited liability company, submitted an application (the "Application") to the Issuer and requested that the Issuer consider undertaking a project (the "Project") consisting of the following: (A) (1) the construction of an approximately 140,000 square foot student residence hall, containing approximately 408 beds and related academic, administrative, security and support facilities (the "Facility") on a parcel of real estate containing approximately 6.387 acres and located at 640 Bay Road in the Town of Queensbury, Warren County, New York (the "Land") and (2) the acquisition and installation thereon and therein of various machinery, equipment and other personal property (collectively, the "Equipment") (the Land, the Facility, and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to constitute the construction and improvement of student housing facilities and other directly and indirectly related activities to be owned and operated by the Company; (B) the financing of all or a portion of the costs of the foregoing by the issuance of revenue bonds in one or more issues or series in an aggregate principal amount to be approximately \$25,500,000 and in any event not to exceed \$30,000,000 (the "Obligations"); (D) the granting of potential exemptions from mortgage recording taxes (collectively with the Obligations, the "Financial Assistance"); and (E) the making of a loan (the "Loan") of the proceeds of the Obligations to the Company or such other person as may be designated by the Company and agreed upon by the Issuer; and

WHEREAS, the Company has requested that interest on the Obligations be treated by the federal government as excludable from gross income for federal income tax purposes pursuant to Section 103 and Section 145(a) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Board of Supervisors of Washington County, New York (the "Board of Supervisors") has been advised by the Issuer that the Issuer proposes to issue, subsequent to the adoption of this resolution, the Obligations from time to time in a principal amount sufficient to fund all or a portion of the costs of the Project; and

WHEREAS, interest on the Obligations will not be excludable from gross income for federal income tax purposes unless, among other things, pursuant to Section 147(f) of the Code, the issuance of the Obligations is approved by the "applicable elected representative" of Washington County, New York after the Issuer has held a public hearing on the nature and location of the Project Facility and the issuance of the Obligations; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the Issuer on November 21, 2011 (the "Public Hearing Resolution"), the Chief Executive Officer of the Issuer (A) caused notice of public hearing of the Issuer (the "Public Hearing") in compliance with the requirements of Section 859-a of the General Municipal Law and Section 147(f) of the Code, to hear all persons interested in the Project and the Financial Assistance being contemplated by the Issuer with respect to the Project, to be mailed on December 5, 2011 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on December 4, 2011 on a bulletin board located at 5 Warren Street, Glens Falls, Warren County, New York, (C) caused notice of the Public Hearing to be published on December 4, 2011 in The Post Star, a newspaper of general circulation available to the residents of in the Town of Queensbury, Warren County, New York, (D) conducted the Public Hearing on December 19, 2011 at 10:00 o'clock a.m., local time at the Town Supervisor's Conference Room at the Queensbury Town Hall, 742 Bay Road, Queensbury, New York, and (E) prepared a report of the Public Hearing (the "Hearing Report") which fairly summarized the views presented at said Public Hearing and distributed same to the members of the Issuer and to the Board of Supervisors of Warren County, New York and the Board of Supervisors of Washington County, New York; and

WHEREAS, pursuant to Section 147(f) of the Code, the Board of Supervisors desires to allow the interest on the Obligations to be treated as excludable from gross income for federal income tax purposes; and

WHEREAS, pursuant to the Issuer's Certificate, neither the Obligations nor any other obligation of the Issuer shall be a debt of Washington County, New York, nor shall Washington County, New York be liable thereon;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Washington County, New York, as follows:

Section 1. For the sole purpose of qualifying the interest payable on the Obligations for exclusion from gross income for federal income tax purposes pursuant to the provisions of Section 145(a) of the Code, the Board of Supervisors, as the elected legislative body of Washington County, New York, hereby approves the issuance by the Issuer of the Obligations, provided that the Obligations, and the premium (if any) and interest thereon, shall be special obligations of the Issuer and shall never be a debt of the State of New York, Washington County, New York or any political subdivision thereof (other than

the Issuer), and neither the State of New York, Washington County, New York nor any political subdivision thereof (other than the Issuer) shall be liable thereon.

Section 2. This resolution shall take effect immediately.

The resolution was duly seconded by Supervisor _____ and the resolution was duly adopted by a vote on roll call.