

## **Board of Directors Meeting Minutes Tuesday, June 12, 2018**

Present: Sandy Morhouse, Scott Hearburg, Pat ida, Lance Clark and Nancy Archer

Absent: Peter Reale and Pam Nolan

Staff Present: Donna Wotton

### **I. Financials**

A. Financial Report prepared by Pat Ida was accepted. Total balance as of June 12 is \$469,661.66 including all liabilities and equity. Total current assets are \$85,904.99. Payments from Trek Tour LLC is regular and on time. Final payment on Harris Beech debt will be February 2019. An additional \$6500 should be received from the Town of Ticonderoga this month.

### **II. Board Business**

A. Compliance filings: Donna is in the process of updating the State Pre-Qualification Document Vault. The only remaining document is the 990 to be filed. (Since the meeting this has been signed and submitted.)

B.. Website Updating: Board profiles are in the process of being updated. Considerable work remains to be done on the website to bring it up to date.

C. NCCC Public Meetings June 26 in Saranac and June 28 in Ti. Please invite persons that you think will have an interest.

**ACTION: Board members** are requested to attend if possible to show their unity and support behind this project.

### **III. Committee Reports:**

#### **A. Development Committee**

Donna is working on development of a database for TRA proposal development. Expect to have this completed by the end of July.

Derelict Buildings will have a proposal ready for submission to HOME and CDBG by September for \$800,000 in partnership with HAPEC and the Town of Ticonderoga for the middle group of abandoned properties. This will be for rehabilitation and resale of properties to get these back on the taz rolls.

#### **B. Governance Committee**

A discussion regarding potential new board members was engaged in and assignments agreed to on outreach to potential members.

Action: Nancy to complete the Board Orientation Binder by the beginning of next week.

**ACTION: Owners noted below.** Assignments to reach out the following persons was agreed:

- Jay Fortino (Jay's Sunoco) by Scott and Lance
- Chris Mallon (former IP GM) by Peter and Lance (JOINING)
- Jim O'Toole by Donna (DECLINED)

- Bobby Porter (WindChill, teacher) by Scott and Peter (JOINING)
- A member of the Rowan family was approached and waiting for a response. (DECLINED at this time)

#### **IV. Program Update**

- NCCC: Program is moving along and hitting its milestones. There have been 6 stakeholder meetings with educators, employers, faculty, and state organizations. There will be two public presentations this month, one in Saranac, and the other in Ticonderoga to gain additional input from the general public and find additional interested parties. Press coverage has been significant and supportive.
- An email was received from Garry Douglas, CEO of the North Country Chamber of Commerce in Plattsburg and member of the NC Economic Development Council, that the School of Applied Technology was moving too quickly and perhaps not as transparently as it should be. He noted in particular lack of communication with BOCES. Of course, BOCES was one of the first contacts regarding the school over a year and half ago. Also from our perspective the process has been very transparent with open invitations to a variety of groups from Board of Supervisors, local businesses, local organizations, including the Ti Chamber, and the general public etc. Never the less, Garry is an important person in the process and we will be scheduling additional meetings with the other educators in the region to work out where the School of Applied Technology fits in our overall educational mix and how to make it complementary to existing resources.
- Donna will be reaching out to Matt Courtright again to enlist his support for the program and support with Garry Douglas.

Action: Donna will send an invitation to the Ti Chamber Board President to a presentation of the project by their entire board. Matt will be copied on the invitation.

The objective is still to have the consultant(s) in place to begin work on July 1. The NCCC Board of Trustees and NCCC Foundation have both approved a \$1M commitment of investment from NCCC and approved the first \$150,000 to be dedicated to the work of the consultants.

B. Small Business Development: Donna discussed a longer term potential project to begin developing a younger working population through business incubation. There are 5 significant business incubators associated with major universities in our area. The Shipley Center for Innovation (associated with Clarkson University), The Hub (associated with RPI), and incubation arms at SUNY Albany (partially focused on support for Global Foundries), UVM, and RIT. Those incubators foster the creation of private businesses that can commercialize university research, or other entrepreneurial efforts.

Fledgling businesses under the umbrella of the incubators have a requirement for several years of mentoring to increase their chance of succeeding for the long term. The incubators look for opportunities to “place” these businesses within communities that can help to foster and encourage their success.

We would need to develop a hosting program (the outline was created by Donna in 2013 and needs to be updated) involving a pool of real estate locations (mostly on Montcalm Street above street level and other existing small manufacturing sites), utility resources

(Bridgepoint/Spectrum , National Grid, Verizon/ATT), and town incentives to businesses willing to locate here for a minimum term.

Program needs work, but could dovetail nicely into the work that OnSite Architecture is doing for JASAMA (feasibility study on Cobbler's Bench) and an eventual overall downtown development plan.

## **V. Other Business**

Sandy was approached by Paul Brauner and the Ingrey's regarding the possible assistance of TRA in rebuilding of the Country Club clubhouse. The model proposed is similar to that for the building of the Paddle Tennis Courts. The Country Club is an important economic driver in the area. The involvement of TRA would motivate more persons to donate.

Action: Donna will discuss with Judy Schultz and draft up financial information to demonstrate the economic impact of the club on the area.

The board will then review the financials, draft a resolution and make a formal vote on our participation in the project.

**Next Scheduled Meeting: August 14, 2018 Board Meeting**

## **Appendix I**

### **NCCC School of Applied Technology FAQ**

*We believe that in the North Country we should offer three kinds of post-high school education to serve our population and build a strong, stable, educated workforce: 4-year academic degrees, 2-year academic degrees that enable matriculation to 4-year institutions and certifications in professional fields (such as nursing), and practical vocational education that prepares young people for careers in the trades that enable them to live, work, support families, and contribute as productive citizens to their home communities.*

#### **Meeting the Vocational Education Needs of the North Country**

***What disciplines would be taught at the SAT?*** The initial offerings of the SAT would be in the core building trades (carpentry, electrical, plumbing/HVAC, heavy equipment operation), auto and diesel mechanics, and facility maintenance technicians. These disciplines were chosen after exploring the most immediate needs of the North Country and mapping them against all other schools in the region (North Country, Northern Capital District, Vermont) that might be teaching

these topics. The analysis produced a clear picture showing a lack of resources for education in these specific trades.

***What geographic area would the school serve?*** The SAT would serve the following areas: all counties in the North Country region, the northern counties of the Capital District and Mohawk Valley, and all of Vermont. With the large pool of viable prospects identified from the North Country (see question below on recruitment), we believe a majority of students in the SAT would come from northern NY counties.

***What kind of degrees/certifications would graduates earn?*** Graduates would earn an Associates of Applied Science (AAS) degree with students in the facilities program earning a Certification in Facilities Maintenance. Both programs require 12-21 credits of general education in addition to the courses and labs required in each discipline. We feel the requirement for the general ed credits will better prepare the students in our area for possible self-employment or management advancement in their careers.

***How do we know there will be a job market waiting for graduates of the School of Applied Technology (SAT)?*** 2017 statistics from the Department of Labor tell us that last year there were 1.5 million unfilled trade jobs in the country. In the North Country alone, there were 220 unfilled jobs (with existing employers) in the building trades and automotive repair area. If we include the Mohawk Valley area, there would be a 1:6.5 ratio of graduates to jobs for the first SAT graduates, and this doesn't include the high potential for self-employment in a region with a severe shortage of contractors in the building trades. These statistics are consistent with the labor

department national statistic of a 96% employment rate for students upon graduation from trade schools.

***How do these programs affect the earning potential of students attending the programs?*** 2017 Labor Department statistics tell us that students entering the workforce from these degreed programs stand to earn approximately 42% more starting salary than non-degreed individuals entering at the job market (minimum wage vs approx. \$17/hour). In addition, their ability to advance shows that in 5 years their salaries increase between 50-70%, and more than double within 10 years, putting them on par with the average for their counterparts with 4 year degrees, and a stark contrast to their non-degreed counterparts.

***How will you recruit students to the SAT?*** Recruitment would be focused on high school students in the North Country and surrounding areas. Statewide statistics tell us that 22% of high school graduates do not matriculate to 4 year colleges. Locally, those numbers are more likely to average 30-35%. Mapped against the number of graduates in the North Country, more than 900 students graduate from our area schools each year and do not go on to college. Part of those 900 students are graduating from BOCES programs in our chosen disciplines (304 in building trades, 198 in automotive) and BOCES would be recommending them to funnel to the SAT for degrees and certification. The Vermont Vocational High School programs (17) are

dedicated to funneling their graduates to AAS programs, providing 345 recruitment targets. Finally, there is a significant number of adults requiring vocational training and retraining that could be funneled to SAT from Workforce 1 and other employment agencies. NCCC would be applying its current recruitment outreach methods to recruitment for the SAT, as well as some new programs specifically targeting non-college bound juniors and seniors, and their teachers and counselors.

### **The Financial Picture**

***What will the SAT cost?*** NCCC has created spreadsheets detailing the start up cost for each of the initially proposed disciplines to be taught at the school. Together they amount to just under **\$4.8 million**. These estimates were based on information provided by BOCES of Franklin/Essex/Clinton Counties for their curriculum and labs, and extrapolated for the expanded number of students, expanded curriculum, and higher level of professional certifications required for the college level courses. These numbers are expected to be vetted and verified by a consultant in the field of trade education to be hired by NCCC by July 1, 2018. Detailed spreadsheets are available for review by contacting Dr. Steve Tyrell at NCCC at [steve.tyrell@nccc.edu](mailto:steve.tyrell@nccc.edu).

***After initial start-up, what will it cost to operate the SAT?*** A financial model based on BOCES data and data from Alfred State has been prepared that show annual operating costs for the school (for an initial 145 students – first two years enrollment) at about **\$1.34M**. Based on these numbers, and revenues based on the same numbers, NCCC expects to realize a profit of approximately \$197,000 in the two years (operating at 78% capacity). As full capacity of 300 students is approached, profits could be in excess of \$500,000 annually.

***What does this mean for NCCC?*** In the past 5 years, NCCC has worked to diversify its financial position to ensure long-term stability. They have created a significant fund balance, stabilized a falling enrollment, taken advantage of the 2<sup>nd</sup> Chance Pell Program, and created the Pathway to Potsdam program (beginning in 2018-19) as ways to provide a balanced and diversified “portfolio” that is vital to the financial health of the institution. Investing \$1M of the fund balance in the SAT would be a prudent investment in a significant revenue stream that would allow NCCC to further invest in the improvement of current facilities and programs, as well as future expansion of the SAT.

***If NCCC is only investing \$1M in the SAT, who provides the rest of the \$4.8M in start-up funding?*** The Ticonderoga Revitalization Alliance is offering to partner with NCCC to create the SAT in Ticonderoga. They would purchase the building to house the school and raise an additional \$1.9M in private funding. The \$1.9M in private funding would be matched by the state, resulting in the additional \$3.8M investment.

***Who is the Ticonderoga Revitalization Alliance?*** The Ti-Alliance is a 501c3 non-profit Local Development Corporation dedicated to economic development in the Ticonderoga region (Ti, Hague, Putnam, Crown Point, Moriah). They work to bring together innovative ideas and

resources for economic development through public/private partnerships and investment opportunities. The Ti-Alliance feels that the SAT is a vital component of economic development in the region.

## **Appendix II**

### **BOARD ORIENTATION PLAN**

Purpose: To help new board members to quickly be engaged and productive members of the board. The plan includes two parts:

- The Board Orientation Binder; and
- An Orientation Session.

The point of each of the above is to make sure new board members are:

- Well informed about their role
- Generally well informed about how the organization operates
- Know Who's Who
- Proud and able to share a few key accomplishments of the organization as they begin to tell friends, family and colleagues about their new role
- Ready to contribute on day one
- Impressed that they have joined a professional organization
- Feel valued and appreciated

Timing: As soon as new board members are selected the Executive Director and Board Chair agree on a time and place for the Orientation Session. The Orientation Binder can go out immediately, giving the new board member(s) the 'homework assignment' to read it before the board orientation session.

## I. BOARD ORIENTATION BINDER

The Binder is for new board members. It is for them to *take home* to read, review, take notes, and write questions in the margins. The Binder should be sent out to the new board member ahead of the Orientation Session so it can be reviewed and marked up with questions and comments.

The contents of this binder:

- Mission Statement
- Vision Statement
- History
- Organizational Chart
- Program Highlights for the Year to Date: A brief document that gets new board members excited about accomplishments and new initiatives underway.
- Board Roles and Responsibilities
- List of All Current Board Members including a brief bio and photo.
- List of Board Committees, Responsibilities, and Members of Each
- List of Upcoming Meetings and Other Important Events to give the new members ample notice to add to the calendar.
- Strategic Planning Documents
- Approved Budget for the Calendar Year
- Most Recent Monthly Financials to help a new board member understand the organization's actual revenue and expense vs. budget.
- Most Recent Audited Financial Statement
- Organization's By-Laws
- Fundraising One Pager. The goal is two-fold – to make it clear that all board members have a personal obligation to tithe annually at a level that they are comfortable with, that all board members are expected to participate in fundraising for Ti-Alliance and for our projects, and to give new members comfort about how those goals can be met.
- Board Meeting Minutes – Minutes from the last three meetings
- Agenda for the First Board Meeting the new member will attend.

II. BOARD ORIENTATION SESSION: This is a 60-90 minute get to know one another session chaired by the Chair of the Recruitment or Governance Committee and attended by the Board Chair, Executive Director, lead Fundraising person and any board member(s) the new board member(s) already knows.

Agenda:

- Introductions: What you do, why this organization is important to you and what you think you bring to the organization in both skills and connections. Everyone in attendance does this, not just the new board members.
- Share a few stories that affirm the new board members' decision to join. Bring the work to life!
- Executive Director shares the vision for the organization and the place the new board members have in that vision – why they were recruited and what value they bring.
- Board Chair – reviews roles and responsibilities and fields questions.
- Fundraising person – reviews the one sheet in the binder and fields questions.
- Board Chair outlines the upcoming board meeting agenda so new members have a preview of significant items to be discussed.

## **Appendix III**

### **Interview Questions for Potential Board Members**

Prospective board member interviews should be used to explore candidates. The role of board members should be addressed in a straight forward manner including the obligation to participate in fundraising and the time commitment should not be minimized. Service on the Board of Directors is a public service, which is essential to the better of our community. The following are suggested questions.

- **What do you know about our organization?** Why are you interested in committing your time and energy to an economic development organization and Ti Alliance in particular?
- **What do you think (are the characteristics of) would make you a great board member?**
- **Fundraising is a significant obligation of board service .** Can you tell us about your experience in fundraising? Here, you need to dig a bit to understand what the experience looked like and their comfort level.
- **Would you be willing to attend a (lunch) meeting with the E.D. and a prospect in which the goal was to make a major donor ask?**



- **Board members bring experience, wisdom, strategic thinking, and their network of contacts. Can you tell us about yours?** (You're probing here for who is in their network and how willing the prospect is to share it, and their skillset that would apply to our work.)
- **What kind of autonomy do you have over your calendar? What is your expectation of the time commitment to Ti Alliance?** There will be meetings between board meetings, occasional donor lunches.