

Allegany County Industrial Development Agency
MONTHLY MEETING
January 12, 2016
Crossroads Conference Center, Belmont, New York

OPENING REMARKS

- Chairman Johnsen asked that Vice-Chairman J. Hopkins chair the meeting in his absence.
- Vice-Chairman Hopkins called the board meeting to order at 9:07 AM.
- Present: Judith Hopkins, Rich Ewell, Randy Shayler and Mike Johnsen (via tele-conference)
- Others Present: Dr. Craig Clark, IDA Executive Director; Cathleen Whitfield, IDA-CFO; Kier Dirlam, Director of Planning

BOARD MINUTES / SECRETARY'S REPORT

- A motion was made by R. Shayler, seconded by R. Ewell and carried to approve the 12/8/16 Board Meeting minutes with no comment or changes.

TREASURER'S REPORT

- **Abstract** – A motion was made by R. Ewell, seconded by R. Shayler and carried to accept the Abstract Report for the January expenses as presented for payment.
- With the resignation of Treasurer Jack Ormond there is currently no second signatory on the checking accounts until the Officers are appointed for 2017. A motion was made by R. Ewell, seconded by R. Shayler and carried for the January expense checks to be released with only one signature, which is Executive Director Clark.
- **Treasurer's Report** – R. Shayler questioned the Net vs. Budget report noting the variance column was not correct. C. Whitfield will contact J. Ormond (who processed the report) for a corrected report and will send to board members. A motion was made by R. Shayler, seconded by R. Ewell and carried to table the Banking Summary and Budget Report until the February meeting.

MAINTENANCE REPORT

- Executive Director Craig Clark asked C. Whitfield to report on the building status. C. Whitfield, reported all the exterior lighting for both the OFA/Veterans and Crossroads buildings had been repaired. The contractor reported the new fixtures can easily be replaced with LED lights verses the current halogen at a minimal cost. This will further reduce future electric bills as C. Whitfield noted a \$200 increase since the halogen replacements. The Board agreed to replace the exterior lighting on both buildings to LED.
- K. Dirlam reported he contacted Bryan Schmidt with regards to filling the potholes in the parking lot.
- There was discussion regarding the Crossroads front doors and the need for replacement. K. Dirlam suggested looking into an auto-lock system where the building will

automatically lock/unlock itself as programmed. Executive Director Clark will look into pricing for replacement of the front doors.

- K. Dirlam reported on the recent security concern from the OFA tenants. They contacted the Sheriff's Office with a recent client concern and are now addressing the possibility of a more secure front entrance, with a possible buzzing system or cameras. Currently the doors electronically open when someone approaches, which was the original OFA request at the time of construction to accommodate the elderly and handicapped individuals. OFA noted that Workplace Violence Laws require the County to provide a secure building. The IDA Board discussed and there was consensus that any new security measures will be at the cost of the County and not the IDA.

OLD BUSINESS

- None to report.

NEW BUSINESS

- ACIDA Board Appointments:

IDA Chairman – Judy Hopkins motioned to nominate Michael Johnsen as Board Chairman, seconded by Randy Shayler and carried 4-0

Vice-Chairman – Randy Shayler motioned to nominate Judith Hopkins as Vice-Chairman, seconded by Richard Ewell and carried 4-0.

Treasurer – Randy Shayler motioned to nominate Richard Ewell as Treasurer, seconded by Judith Hopkins and carried 4-0.

Secretary – Richard Ewell motioned to nominate Randy Shayler as Secretary, seconded by Judith Hopkins and carried 4-0.

- **Second Signatory** – A motion was made by Randy Shayler, seconded by Judy Hopkins and carried to remove John (Jack) Ormond as second signatory and appoint Richard Ewell as signatory for all Allegany County IDA accounts at Community Bank, N.A.; First Citizen's National Bank and the Capital Resource Corporation account at Community Bank, N.A.
- For compliance with the New York State Comptroller's Office and PARIS (Public Authorities Reporting Information System); Vice-Chairman Judith Hopkins appointed the following Committees:
 - **Governance Committee:** Chairman Mike Johnsen and Board Members Judith Hopkins and Richard Ewell.
 - **Audit Committee:** Chairman Mike Johnsen and Board Members Randy Shayler, Richard Ewell and Judith Hopkins.
 - **Chief Executive Officer:** Dr. Craig Clark
 - **Chief Financial Officer:** Cathleen Whitfield

- ACIDA Directors & Officers Insurance – Rich Ewell gave a report on the current IDA insurance policies provided by Richardson & Stout Insurance Agency. He commented he was the ACIDA representative with R&S before he joined the IDA Board; yet still feels conflicted when he sees policy payments presented for approval. Based upon this, Mike Johnsen had recommended a periodic insurance review to the board. Rich gave a brief history of Richardson & Stout, a local business that employs 17 County residents and insures multiple government and pseudo-government entities—including 16 schools, 31 municipalities, banks, colleges and personal accounts. He reported that he used two brokers to get the best rate options - noting that he was confident that the IDA couldn't get any better coverage with their current costs. He also stated that it is difficult to find an insurance company to insure an IDA on a Business Owner Policy, (this is the product used current for the IDA's property and liability coverage). The IDA BOP Policy with Cincinnati is currently written on a 3-year policy where rates are guaranteed for the three years. He provided a summary of coverages on the two buildings, Belmont Parking Lot, Truck Stop, vacant land in Friendship and D&O noting the IDA could get an umbrella policy designed to provide more liability coverage. Chairman Johnsen asked that he provide the board with prices for a \$1-\$5 million umbrella policy. R. Shayler asked about cost to insure the Lufkin building when the IDA has possession. R. Ewell suggested writing it as a stand-alone policy as it would be vacant. In order for him to find out costs for Lufkin he would need to do a replacement value cost analysis.
 - A motion was made by Chairman Johnsen and seconded by R. Shayler noting the IDA Board heard R. Ewell's presentation on the current policies held with the IDA and the Board agreed to remain with Richardson & Stout Insurance Company agreeing with R. Ewell's procedure recommendations and that the IDA is satisfied with current coverage approach. The motion passed 3-0 with 1-abstaining (R. Ewell).

- Uniform Criteria Policy & New IDA Application – Executive Director Clark reported on the new policy and application received from IDA legal. He apologized that he didn't have enough time to thoroughly review the documents before the meeting. The Board discussed the desire for a simpler policy that is more readable and use legal documents as is. A motion was made by R. Ewell, seconded by R. Shayler and carried to table the new Uniform Criteria Policy and IDA Application until February giving the board members more time to review the documents.

UPDATES

- Economic Development – Exec. Director Clark reported that the IDA had a good year but remains frustrated with projects not reaching completion. The Park-N-Ride design is progressing and the project will be good for the IDA, County and building tenants.

- Lufkin Building – Executive Director Clark spoke with the Vice-President of the German company expressing interest, noting there is no further word at this time. GE is presenting an attractive offer. Dan Spitzer, HR Legal, spoke with the GE lawyer noting paperwork is in process and the IDA will do future sale negotiations; GE does not want to be involved with the sale of the building. IDA Board discussed selling price with possible options for buyer, i.e., balloon payment forgiven with number of years and employees and/or lease to buy. Current Lufkin employees at plant will vacate in April.

A motion was made by R. Ewell, seconded by R. Shayler and carried authorizing Executive Director Craig Clark to negotiate selling price and lease options with prospective buyers and to work deals subject to final approval of the ACIDA Board.

- Belvidere Crossroads – Executive Director Clark spoke with both developers and anticipates Letters of Intent by next week. The Rochester Group wants the IDA to help with onsite septic system and C. Clark looking at costs. The Syracuse Group has not contacted C. Clark as of today. R. Shayler asked if there was a \$/job figure yet and C. Clark remarked that the IDA Board needs to establish one.
- Regulus – Executive Director Clark spoke with Glenn Thomas who now has a second project of “waste to ethanol” verses “waste to jet fuel.” Mr. Thomas asked that the IDA hold on the first application and he’s looking for investors with the second project. R. Shayler asked how far the water line goes from Village of Belmont to Crossroads intersection. K. Dirlam reported he believes it ends at the Crosby Mart.
- Friendship Water Line – They tested the tank yesterday and should know more today on the loss amount. It originally was losing 30,000 gallons per day.

GOOD OF THE ORDER

- Chairman Johnsen thanked Vice-Chairman Hopkins for chairing the meeting today.

CALENDAR

Due to Executive Director Clark being out of the country on February 9th, the next board meeting date and time will be changed as follows:

- **Next Meeting:** Thursday, February 16, 2017 @ 9:30 AM
Crossroads Commerce Center, Belmont, NY

ADJOURNMENT

With there being no further business, a motion to adjourn at 10:30 a.m. was made by R. Shayler, seconded by J. Hopkins and carried.

Respectfully submitted,

Cathleen L. Whitfield
Recording Secretary