

Allegany County Industrial Development Agency
MONTHLY MEETING
March 8, 2018
Crossroads Conference Center, Belmont, New York

OPENING REMARKS

- Chairman Johnsen called the board meeting to order at 9:01 AM.
- Present: Rich Ewell, Judith Hopkins, Mike Johnsen and Randy Shayler
- Others Present: Craig Clark, IDA Executive Director; Kier Dirlam, Director of Planning; Kathleen Kellogg, Olean Times Herald and Cathleen Whitfield, IDA CFO.

BOARD MINUTES / SECRETARY'S REPORT

- A motion was made by R. Shayler, seconded by R. Ewell and carried to approve the February 8, 2018 Board Meeting minutes and the February 22, 2018 PM Research Public Hearing 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 February/March expenses as presented for payment.
- Banking Summary & Budget Reports – No reports.
- Bond Invoices – A motion was made by R. Ewell, seconded by J. Hopkins and carried to approve payment of the bond invoices pending Craig Clark confirming with Dave Pullen the legal expenses are actually for the waterline expense.
- 2018 Budget – Presented to Board Members for review and will be voted on at next meeting.

MAINTENANCE REPORT

- The main water pump was burned out due to the recent electrical outage storm. Building was without power Friday through Monday. Root Water System was contacted and new pump ordered and replaced. C. Whitfield contacted Richardson & Stout Insurance to see if cost would be covered under the IDA building insurance. Insurance adjustor said the deductible was \$1,000 and to see what total cost would be before submitting a claim. There was discussion to contact RG&E and see if there is a possibility they can cover the cost of a new pump.
- New entry doors for the Crossroads Building were discussed. Austin Security came and repaired the rear entrance and gave a verbal quote of approximately \$7,000 per set of double doors to replace. It would cost and additional \$6,000 to make one set handicap accessible doors. It was noted handicap doors are not required unless the building is upgraded. Making them handicapped is not something that can be added later, it changes the entire structure of the doors. J. Hopkins asked if new handicapped doors would add value to the building and the response was “no.”

OLD BUSINESS

- PM Research PILOT Agreement – The PILOT schedule is still being negotiated. PM has suggested balancing out the taxes over the full 20 years and then the town, county and school would receive payments during the first 5 years verses no payments the first 5 years. There was discussion with the Chairman commenting that it is not the standard approach and the downside is it freezes the tax rate calculating the amount. The upside would be immediate payments to the taxing entities. R. Shayler asked if the tax rate is based on the current rate each year. Chairman Johnsen also pointed out the schedule PM is referring to in the application is not the PILOT schedule, but rather the lease agreement. There was consensus the board was not ready to vote until they receive another PILOT schedule and confer with legal.
- Belmont Parking Lot – R. Ewell reported on the insurance aspect of ACCORD Corporation using the Belmont Parking Lot for their staff located in a building across the street. It was decided the IDA would not charge a fee to ACCORD but the IDA needs to be insulated with a hold/harmless insurance agreement provided by ACCORD. Dan Spitzer, IDA Counsel, looked over the policy and approved. There would be no claim to the IDA until all of ACCORD's insurance and assets were gone. J. Hopkins asked how many vehicles would be parked there. C. Clark was unsure and noted that ACCORD will be responsible for plowing. **A motion was made by R. Ewell to approve the insurance agreement and ACCORD having use of the Belmont Parking Lot; seconded by R. Shayler and carried.**
- IDA By-Laws – By-laws were distributed for review by board members. Chairman Johnsen recommended a new font as current by-laws appear as if written on a manual typewriter. C. Clark commented that the by-laws were pretty standard; however, do not give mention to board members, only officers. There was a conflict noted that states any vacancy should be immediately filled by the agency, but then states the County Legislature fills the vacancies. C. Clark will do some revisions; insert page numbers and hi-light for board members to review. He noted there should be a by-law stating the board member terms of service.

NEW BUSINESS

- Crossroads Generator – K. Dirlam reported for Jeff Luckey, Office of Emergency Services Director; that the OES department received a grant that will allow the purchase of a 48kw generator that would run the entire Crossroads building in the event of another power outage. The Crossroads Conference Center is used as the OES training facility and the large conference room would be utilized as a command post for emergency situations, therefore, qualifying the building for the generator at no cost to the ACIDA. A separate 500 gallon propane tank will need to be installed which will keep track of the separate propane cost. The project has gone to bid. The generator will automatically turn on each week to test the generator which factors approximately a \$200 annual propane expense just for testing. This does not include the cost of propane should the generator be in use during an electrical outage. Chairman Johnsen suggested the OES department be responsible for filling the tank when powering the building. There was discussion on needing an agreement in place as to who actually owns the generator and R. Ewell

suggested a contract with insurance policy as well. OES would be in charge of spending grant funds and getting the contractor but there needs to be clarity on responsibility otherwise. R. Ewell will talk to Jeff Luckey.

- Maker City Project – C. Clark reported that information was sent to the IDA board prior from the Allegany County Steering Committee regarding this project. A consultant will be hired to come and meet with entrepreneurs in April who want to start up a business in Allegany County. The cost of the consultant will be paid by local business sponsorships and the commitment is \$19,000. The project will be a 3-day event with a team set in place to follow through. Siemens was the direct contact for this project and they are working with C. Clark. This is an economic development project, not IDA, but the IDA will be used as the pass-through agency for the funding. Funding is being sponsored by Alfred State College, Alfred University, Siemens Government Technologies, Arvos-Lujungstrom, Otis Eastern, the Greater Allegany County Chamber of Commerce and Allegany County Development. **A motion was made by R. Ewell, seconded by J. Hopkins and carried that the Allegany County IDA facilitate the funding as a pass-through agency and to invoice the agencies for their sponsorship, not to exceed \$19,000.**

UPDATES – CRAIG CLARK

- PM Research – Empire State Development met with PM and C. Clark and there is discussion of other incentives to ramp them up quicker with access to funding for capital equipment.
- Belvidere Waterline – The project is progressing.
- Siemens/Dresser – Curtis Wright purchased the government side and plans to keep approximately 50 engineers and support people in Wellsville, however, not committing to how long. Siemens owns the building and engineers may be housed in the current facility. C. Clark is working with all officials to ensure Siemen’s remains a good corporate citizen regarding the facility long term. C. Clark noted the good news is we have 18-24 months, but the bad news is, we have 18-24 months. C. Clark and Mayor Randy Shayler met with Business First and discussed possible options and stated “we are resilient and will recover.” Business First did a TV interview that came out well.
- Stillwater South Restaurant, Wellsville – No PILOT application has been submitted as of today, but is forthcoming. C. Clark met with owners to offer assistance. He noted that IDA’s can’t typically assist restaurants but after consulting with Dan Spitzer, IDA Legal Counsel, Mr. Spitzer noted that if an area is “distressed” then IDA’s can assist with restaurants. R. Shayler stated the Village of Wellsville will be supportive of a PILOT agreement. The new restaurant is looking to create 25 new jobs.

MEDIA

- Chairman Johnsen gave the floor to Kathleen Kellogg, Olean Times Herald, to ask any questions.
- K. Kellogg asked the cost of the OES Generator. Jeff Luckey arrived to the meeting and stated the grant was funded for Homeland Security and Homeland Securities approved the \$28,000 generator. He explained an emergency situation room has only been opened

four times in the last 30 years. He stated that F&S Electric (Stan Fleischman) is the contractor that will be installing the generator and currently maintains the 911 Center in Belmont. Chairman Johnsen expressed the IDA's concern that the generator's propane tank remain "full" based on the gauge readings.

- K. Kellogg asked if IDA by-laws were currently on line and, yes, they are at www.acida.org
- K. Kellogg stated she had spoken with Dan Spitzer regarding a wind project policy and would there be a new one? C. Clark stated the IDA will be sure to review the current policy and make sure it is updated.

EXECUTIVE SESSION

- A motion was made by R. Ewell, seconded by J. Hopkins and carried to enter into Executive Session at 10:02 a.m. to discuss the Hemisphere Management contract.

REGULAR SESSION

- A motion was made by R. Ewell, seconded by J. Hopkins and carried to return to Regular Session at 10:22 a.m.
- **A motion was made by Chairman Johnsen, seconded by R. Shayler and carried to grant up to a 60 day extension to Hemisphere Management, in accordance with the terms of the contract.**

GOOD OF THE ORDER

- None.

CALENDAR

- **Next Meeting:** Thursday, April 12, 2018 @ 9:00 AM
Crossroads Commerce Center, Belmont, NY

ADJOURNMENT

With there being no further business, a motion to adjourn at 10:31 a.m. was made by M. Johnsen, seconded by J. Hopkins and carried.

Respectfully submitted,

Cathleen L. Whitfield
Recording Secretary