

**SENECA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

MEETING MINUTES

Annual Meeting
Thursday, February 7, 2008
12:00 Noon
Abigail's Restaurant
Waterloo, New York

Attendance:

Board Members Present: Robert Rosenkrans, Chairman; Kenneth Lee Patchen, Jr.; Robert Kernan; Thomas Kime; David M. Kaiser; Fred Gaffney; and Kenneth Riemer

Board Members Absent: Thomas Macinski

Staff Attending: Stephen Dennis, Executive Director; Patricia Jones, Project Coordinator for Reuse/Empire Zone; Monica Novack, IDA Administrative Assistant; Greg Keefe, IDA Chief Financial Officer; and Shawn Griffin, Justin Miller, Legal Counsel, Harris Beach

Others Attending: Suzanne Sinclair, County Manager; David Dresser, Supervisor, Town of Ovid; Kevin Swartley, Empire Green Biofuels; Dave Shaw, Finger Lakes Times; Paul Griswold and Bill Doran, Finger Lakes Technology Group; and Joan Teichner, Carol Richardson, and John Patti

Call to Order:

Chairman Rosenkrans called the meeting to order at 12:24 p.m. A quorum of the Agency's members was present.

Introduction of Guests:

Pat Jones introduced each of the guests attending the meeting.

Approval of IDA Minutes / Meeting of January 10, 2008:

The minutes of the Agency's regular meeting of January 10, 2008 had been sent to Board members prior to the meeting. After discussion, a motion was made by Dave Kaiser to approve the January 10, 2008 minutes. Seconded by Robert Kernan. Messrs. Rosenkrans, Kernan, Kime, Patchen, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Approval of December 2007 Financial Statements:

The December 2007 financial statements had been mailed to Board members prior to the meeting. After discussion, a motion was made by Robert Kernan to approve the December 2007 financial statements. Seconded by Lee Patchen. Messrs. Rosenkrans, Kernan, Kime, Patchen, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Report of Audit Committee:

Thomas Kime reported on the Audit Committee meeting that was held January 18, 2008 in advance of the agency's annual audit.

Report of Correspondence:

Steve Dennis advised the Board that the IDA received a thank you letter from the Seneca County Chamber of Commerce expressing appreciation for the IDA's support of the Chamber's Annual Dinner and Recognition Program. Steve also recognized Mr. Kernan for his lifetime achievement award. Steve then advised the Board that the IDA had received a letter dated January 9, 2008 addressed to the Varick Planning Board and the IDA noting DEC reserves the right to seek lead agency at the appropriate time for the Sessler Project.

Report of Agency's Website and Provisions for Public Postings:

Steve Dennis advised the Board that In-House Graphics designed and has maintained the IDA's current web site. Under the Public Authorities Accountability Act and the required reporting system (PARIS), the IDA needs additional capacity to post public documents, including meeting notices, minutes, audited financial statements, and annual reports. Steve also advised that, given the agency's current work load, the Agency contract with In-House to create a Public Posting page on the SCIDA web site, also to have In-House make the initial and subsequent posting for six months. After the six month period, IDA staff would be trained to make the postings and In-House would be utilized on an as needed basis at the stated hourly rates. After discussion, a motion was made by Lee Patchen, authorizing the Director to contract with In-House Graphics to host the IDA website and to create/maintain a Public Posting Page for the next 6 months with a not to exceed price of \$1,000. Procurement would be by extension of professional services already being provided. Seconded by Thomas Kime. Messrs. Rosenkrans, Kernan, Kime, Patchen, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Approval for Agency to Obtain Extended Procedures/Services for Required Filings via Public Authority Reporting and Information System (PARIS) via Raymond F. Wager, CPA, P.C.:

Steve Dennis advised the Board the agency had received a proposal from Raymond Wager, CPA, P.C. for extended services to assist the IDA to review and compile information needed for PAAA compliance and reporting via the PARIS online system. The proposal was forwarded to Board members prior to the meeting. Steve advised that given the agency's work load and the timeline to submit the required reports, the proposed services could assist the agency to compile and evaluate the available records. The proposal has a not to exceed price of \$2,500 for the associated scope of work. Procurement would be via extension of professional services already engaged. After discussion, a motion was made by Dave Kaiser to authorize the Director to execute the agreement. Seconded by Robert Kernan. Messrs. Rosenkrans, Kernan, Kime, Patchen, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Approval for Agency to issue Request for Qualifications for Empire Zone Boundary Amendment, Development Plan, and other support services:

Steve Dennis advised the Board that the IDA administers the Empire Zone Program which supports business recruitment and expansions throughout the County. Steve also advised that there is an immediate need to complete a boundary amendment, finalize the Zone Development Plan and to obtain additional support services for the Zone. Steve then advised that, given the agency's workload and current commitments, he is requesting authorization to issue a Request for Qualifications to consultants to complete the above items. The RFQ would be issued with a not to exceed cost of \$7,500. After discussion, a motion was made by Lee Patchen to approve the Agency issuing a Request for Qualification for Empire Zone Boundary Amendment, Development Plan, and other supportive services. Seconded by Thomas Kime. Messrs. Rosenkrans, Kernan, Kime, Patchen, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Approval for Agency to Notify State under PAAA for Lease of Airfield Lands to New York State:

Pat Jones advised the Board that IDA staff, along with Legal Counsel had reviewed the draft Army deed for the Airfield Parcel. Pat also advised that since the IDA expects conveyance of this property in the near future, the State Police have requested that we start processing the Lease from the IDA to the State Police for approximately 50 acres of Airfield property which is currently licensed to the State Police. Pat then advised that prior to executing the lease, the IDA must notify the State under PAAA. After discussion, a motion was made by Thomas Kime approving the Agency to Notify the State under PAAA for Lease of Airfield Lands to the State Police. Seconded by Robert Kernan. Messrs. Rosenkrans, Kernan, Kime, Patchen, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Approval for Agency to Respond to NYS DEC on Proposed Wetland Amendments on Depot Lands:

Pat Jones advised the Board that the IDA, as a property owner of lands at Seneca Army Depot, was notified by NYS DEC of proposed additions to wetlands at the Depot. Pat then provided the Board with a short presentation using a map of the Depot that showed the proposed areas. Pat then advised that open comment period to DEC ends on February 15, 2008, and that a response will be prepared based on Board comments. After discussion, a motion was made by Robert Kernan approving the Agency to respond to NYS DEC on Proposed Wetland Amendments on Depot Lands. Seconded by Thomas Kime. Messrs. Rosenkrans, Kernan, Kime, Patchen, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Approval for Agency to Send Letters to Elected Representatives in Opposition of Hoyt Bill:

Steve Dennis advised the Board that the Hoyt bill would require NYS Prevailing Wages for IDA assisted projects. Steve then advised that based on a study commissioned by the NYS Economic Development Council, market wages for construction projects are already greater than the study's comparison communities and prevailing wages would add from 30-50% to project labor costs. Steve also informed that as a result, the state and the sub-areas would become even more un-competitive for business recruitment and retention. After discussion, a motion was made by Robert Kernan to authorize submission of letters to elected representatives. Seconded by Lee Patchen. Messrs. Rosenkrans, Kernan, Kime, Patchen, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Ratify IDA Executive Director's Recommendation for creation of position of Administrative Assistant/Accounting Technician. Also, recommendations for 2008 salaries for Project Coordinator and Administrative Assistant/Accounting Technician and position upgrade for Project/Empire Zone Coordinator:

Steve Dennis advised the Board that the above items had been previously recommended. During discussion, Mr. Patchen asked if the salary recommendations were within the agency's 2008 budget. Steve noted the recommendations were within the budgeted amounts. After discussion, a motion was made by Dave Kaiser to ratify these recommendations. Seconded by Thomas Kime. Messrs. Rosenkrans, Kernan, Kime, Patchen, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Approval of IDA Resolution No. 2008-08 / Empire Green Biofuels, Inc. Project:

Steve Dennis advised the Board that this resolution was distributed and discussed at the January meeting; however, no action was taken. Steve then advised that the resolution authorizes the execution of the Letter of Intent to Cilion; describes the types of financial assistance and infrastructure improvements being contemplated; and authorizes staff to execute grant documents. Steve then presented Resolution No. 2008-08 as follows:

RESOLUTION OF THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) AUTHORIZING THE EXECUTION AND DELIVERY OF A CERTAIN LETTER OF INTENT ADDRESSED TO EMPIRE GREEN BIOFUELS, INC. (THE "COMPANY") WITH RESPECT TO THE COMPANY'S

PROPOSED ETHANOL MANUFACTURING AND BIOMASS FACILITY (THE "PROJECT", AS FURTHER DESCRIBED HEREIN); (ii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE AND INFRASTRUCTURE IMPROVEMENTS BEING CONTEMPLATED BY THE AGENCY; AND (iii) AUTHORIZING THE EXECUTION AND DELIVERY OF APPLICATIONS AND UNDERTAKINGS WITH RESPECT TO CERTAIN GRANT AND LOAN PROGRAMS (AS DETAILED WITHIN THE LETTER OF INTENT).

After discussion, a motion was made by Robert Kernan to approve Resolution No. 2008-08. Seconded by Lee Patchen. Messrs. Rosenkrans, Kernan, Kime, Patchen, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Presentation of Finger Lakes Technologies Real Estate Holdings, LLC Project by Paul Griswold:

Paul Griswold provided a presentation at the meeting to brief the Board on their depot project.

Approval of Empire Zone Administrative Contract for July 1, 2007 through June 30, 2008:

Steve Dennis advised the Board that staff has received the renewal contract for Empire Zone Administration. Steve also advised that the contract amount is \$16,000 for the year. After discussion, a motion was made by Lee Patchen to approve the contract and authorize the Executive Director to sign the contract agreement. Seconded by Thomas Kime. Messrs. Rosenkrans, Kernan, Kime, Patchen, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Consideration of Finger Lakes Advanced Manufacturing Enterprise (FAME) request for IDA funding:

Steve Dennis advised the Board that FAME is a partnership of manufactures formed to address current and future human resource needs of the area's manufacturing sector. Steve then advised that FAME is requesting \$10,000 from the IDA for administrative startup and services. The organization is also requesting support from the IDA's of Wayne, Ontario, and Yates Counties. During discussion, it was noted the requested amount is not budgeted. After further discussion, a motion was made by Lee Patchen to table FAME's request for IDA funding until the Board has more time to analyze it. Seconded by Robert Kernan. Messrs. Rosenkrans, Kernan, Kime, Patchen, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Consideration of Executive Session:

Chairman Rosenkrans requested a motion to enter into Executive Session for the purposes of sale or lease of real property where publicity would affect the value thereof. A motion was made by Robert Kernan at 1:28 p.m. to enter into Executive Session. Seconded by Lee Patchen.

Motion carried. A motion was made by Robert Kernan at 2:05 p.m. to come out of Executive Session. Seconded by Lee Patchen. Motion carried.

Other Business:

Finger Lakes Technologies Real Estate Holding, LLC - Sub-Lease:

A motion was made by Lee Patchen to approve the proposed FLTG sublease for a portion of their site on the Depot. Seconded by Robert Kernan. Messrs. Rosenkrans, Kernan, Kime, Patchen, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Adjournment:

A motion to adjourn the meeting was made by Thomas Kime and seconded by Lee Patchen. Motion carried. The meeting adjourned at 2:07 p.m.

The next regular scheduled meeting will be held on **March 6, 2008 at 12:00 Noon** at Abigail's Restaurant, Route 5 & 20, Waterloo.

Respectfully submitted,


Kenneth Lee Patchen, Jr.
Secretary

pc: Suzanne Sinclair, Seneca County Manager
Margaret Li, Clerk, Board of Supervisors
Russell Gaenzle, Esq, Harris Beach
Justin Miller, Esq, Harris Beach