

**SENECA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

MEETING MINUTES

Regular Meeting
Thursday, July 12, 2007
12:00 Noon.
Abigail's Restaurant
Waterloo, New York

Attendance:

Board Members Present: Bradford Jones, Chairman; Robert Rosenkrans; Kenneth Lee Patchen, Jr., Robert Kernan, Thomas Kime, David M. Kaiser, and Bruce Bonafiglia

Board Members Absent: None

Staff Attending: Patricia Jones, Interim Executive Director; Monica Novack, IDA Administrative Assistant; Greg Keefe, IDA Treasurer; and Russ Gaenzle, Legal Counsel, Harris Beach

Others Attending: Denise Champagne, Finger Lakes Times; Sharon Secor, Seneca County Manager; James Mooney, Supervisor, Town of Waterloo; and Jason McCormick, representing McCormick Engineering

Call to Order:

Chairman Jones called the meeting to order at 12:13 P.M. A quorum of the Agency's members was present.

Approval of IDA Minutes / Regular Meeting of June 7, 2007:

The minutes of the Agency's regular meeting of June 7, 2007 had been sent to Board members prior to the meeting. After discussion, a motion was made by David Kaiser to accept the minutes of June 7, 2007. Seconded by Robert Rosenkrans. Motion carried.

Approval of June 2007 Financial Statements:

The June 2007 financial statements had been mailed to Board members prior to the meeting. Greg Keefe summarized the financial statements. After discussion, a motion was made by Robert Kernan to approve the June 2007 financial statements. Seconded by Lee Patchen. Motion carried.

Approval of 2007 Mid-Year IDA Budget Adjustments:

Pat Jones advised the Board that the Proposed Mid-Year Adjustments had been mailed to Board members along with the approved 2007 budget which was adopted in January 2007. Pat Jones summarized for the Board the changes in the mid-year budget. After discussion, a motion was made by Dave Kaiser to approve the Mid-Year Adjustment Budget. Seconded by Lee Patchen. Motion carried.

Approval of Acceptance of 2006 IDA Audit and Response to IDA Audit Management Letter:

Pat Jones advised the Board that the Audit Committee had met with the Auditor on two occasions and had approved both the audit and the response. After discussion, a motion was made by Robert Kernan to accept the IDA Audit. Seconded by Bruce Bonafiglia. Motion carried. Lee Patchen made a motion to approve the Response to the Management Letter. Seconded by Bruce Bonafiglia. Motion carried.

Approval of Revised IDA Administrative Guidelines and Procedures:

Pat Jones advised the Board that the changes in the Administrative Guidelines and Procedures on pages eight and fifteen reflect recommendations made by the auditor to strengthen the Agency's internal controls and operating efficiency. After discussion, a motion was made by Robert Kernan to accept the Guidelines. Seconded by Robert Rosenkrans. Motion carried.

Ratify Approval of 45 day Extension for Loan to National Women's Hall of Fame:

Pat Jones stated that she had emailed all Board members on June 20, 2007 requesting approval for the National Woman's Hall of Fame to extend their \$50,000 IDA loan by 45 days until August 15, 2007 due to their grant not yet being received to cover the loan. Pat then stated that approval was received and the loan was extended; however, the approval needed to be ratified. Pat also advised the Board that the Hall had paid the interest which was due on the loan through June 30th. After discussion, a motion was made by Robert Rosenkrans to ratify the Approval of the Extension for the Loan to the National Women's Hall of Fame until August 15, 2007. Seconded by Bruce Bonafiglia. Robert Kernan abstained. Motion carried.

Approval of Quarterly Loan Status Report:

The Loan Status report had been provided to Board members prior to the meeting. Chairman Jones summarized the loan status report and noted to Board members that all loans were current. After discussion, a motion was made by Lee Patchen approving the quarterly Loan Status report. Seconded by Robert Kernan. Motion carried.

Approval of Quarterly Grant Status Report:

The quarterly Grant Status report had been provided to Board members prior to the meeting. Chairman Jones then summarized the Grant Status report. After discussion, a motion was made by Robert Rosenkrans approving the quarterly Grant Status report. Seconded by Lee Patchen. Motion carried.

Approval of IDA Resolution No. 2007-14 in Opposition to A.8703 (Hoyt, et al) regarding IDA "Reform":

Pat Jones summarized for the Board the Memorandum from NYSEDC outlining provisions in Bill A.8073 (Hoyt, et al) regarding IDA "reform" which is in opposition to the passage of A.8703 and encourages the consideration of proposals made by the NYSEDC. Pat stated that the NYSEDC had requested that each IDA pass a resolution which had been provided to Board members prior to the meeting. Russ Gaenzle then presented IDA Resolution No. 2007-14 as follows:

RESOLUTION OF THE SENECA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY IN OPPOSITION TO THE PASSAGE
OF A.8703

After discussion, a motion was made by Robert Kernan to approve IDA Resolution No. 2007-14. Seconded by Robert Rosenkrans. Messrs. Jones, Rosenkrans, Kernan, Patchen, Bonafiglia, Kime and Kaiser voted "yea". Motion carried.

Approval of IDA Final Resolution No. 2007-15 / Finger Lakes Technology Group:

Pat Jones advised the Board that IDA Resolution No. 2007-15, which had been forwarded to Board members prior to the meeting, is the final resolution for the Finger Lakes Technologies Group Project in the old Q-Area at the Depot. Russ Gaenzle then advised the Board that this resolution authorizes the execution of the Lease Agreement, Easement Agreement, PILOT Agreement and Special District Agreements and then presented IDA Resolution No. 2007-15 as follows:

RESOLUTION OF THE SENECA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY (THE "AGENCY") AUTHORIZING THE
EXECUTION AND DELIVERY OF A CERTAIN LEASE
AGREEMENT, RELATED EASEMENT AGREEMENTS, PAYMENT-
IN-LIEU-OF-TAX-AGREEMENT AND RELATED SPECIAL

DISTRICT AGREEMENTS, MORTGAGE AND RELATED DOCUMENTS WITH RESPECT TO THE FINGER LAKES TECHNOLOGIES GROUP, INC. PROJECT (AS MORE FULLY DESCRIBED BELOW)

After discussion, a motion was made by Lee Patchen accepting IDA Resolution No. 2007-15 and authorizing the Interim Executive Director to execute documents and agreements related to the project. Seconded by Robert Rosenkrans. Messrs. Jones, Rosenkrans, Kernan, Patchen, Bonafiglia, Kime and Kaiser voted "yea". Motion carried.

Approval to Establish Wetland at Depot in Exchange for Chadwick Rd. Extension / Approve Restrictive Covenants:

Pat Jones advised the Board that an extension to Chadwick Road is needed to support the County Airport in Seneca Falls. Pat stated that there is a wetland at the site, and the County requested that a wetland be created at the Depot in exchange for the wetland on Chadwick Road. Pat then stated that a parcel on the Depot has been identified, and this site totals four acres with the wetland being one acre with a three acre buffer. Pat then advised the Board that the site identified is within the 4600 acres that has been requested by Empire Green Biofuels; however, she had spoken to Ejnar Knudsen and he stated that a four acre wetland site within the 4600 acres is not a problem for them. After discussion, a motion was made by Tom Kime to establish a wetland at the Depot in exchange for a wetland at Chadwick Road and to approve the Restrictive Covenants, subject to legal counsel review and approval. Seconded by Bruce Bonafiglia. Motion carried.

Ratify Approval of Sales Tax Exemption Extension for Blade Shop to September 30, 2007:

Pat Jones advised the Board that on June 28, 2007, she emailed IDA Board members requesting approval to extend the IDA Assistance of Sales Tax Exemption to September 30, 2007 for The Blade Shop. Pat then noted that the current approval expired on June 30, 2007 and Mr. Meyer was in the process of completing his site work and requested the extension until September 30th. Pat then stated that approval was received; however, the Board needed to ratify the extension. After discussion, a motion was made by Bruce Bonafiglia ratifying the approval of Sales Tax Exemption Extension for The Blade Shop to September 30, 2007. Seconded by Robert Kernan. Motion carried.

Approval of Walmart's Purchase of a Portion of Bruce Henry Properties, LLC:

Russ Gaenzle advised the Board that he had received a request from the Attorney for the Walmart project for IDA approval for Walmart to Purchase a portion of property owned by Bruce Henry Properties, LLC. Russ then stated that the IDA has a lease/leaseback with Bruce Henry Properties, LLC and that any sale of land must be approved by the IDA. After discussion, a motion was made by Robert Rosenkrans approving the Walmart

purchase of a portion of land owned by Bruce Henry Properties, LLC. Seconded by Lee Patchen. Bruce Bonafiglia abstained. Motion carried.

Mowing at Deer Run Industrial Park:

Pat Jones advised the Board that the contract with S. Ritter and Son only includes the mowing of an approximate 30 foot area from the road around the entire park. Pat then stated that during the past four years, Milt VonHahmann of the Seneca Falls Airport, had been mowing the remainder of the grass at the Park, based on a contract between the IDA and the Airport in which the IDA bought the lawn mower. Pat then advised that Mr. VonHahmann is willing to continue the mowing if the IDA would consider buying the Airport another piece of equipment. Pat also recommended to the Board that the IDA do something at the entrance to make it more maintenance free as there are a lot of weeds and the bushes are in need of trimming. After discussion, the Board directed the Interim Executive Director to go out for quotes for the mowing of the entire ten acres and to get quotes for landscaping at the entrance. Sharon Secor then advised the Board that she would ask Mr. VonHahmann to mow once at the Park, at no cost to the IDA, in the interim.

Other Business:

Search Committee Update: Robert Kernan advised the Board that the Search Committee, comprising himself, Tom Kime and Dave Kaiser had met on Tuesday, July 10th and narrowed down the 24 applications for the IDA Executive Director position to eight applicants. Mr. Kernan then stated that these eight applicants were mailed an IDA Application for Employment and were given two weeks to complete the application. Mr. Kernan then advised that once the applications are received, credit and background checks will be made and references will be checked out. Mr. Kernan stated that the Search Committee hoped to interview in early August and would then be back to the Board for the final interviews of the top two or three candidates.

Resignation:

Brad Jones, Chairman of the IDA, advised Board Members that he was resigning as IDA Chairman, as well as an IDA Board Member, at the conclusion of the July 12th IDA meeting. Chairman Jones then stated that his brother has submitted his application for the IDA Executive Director position, and he has always been a firm believer that "conflict of interests" should be removed when a Board needs to make critical decisions/appointments. Chairman Jones then stated that this is the reason he is stepping down at this time and he had purposely remained on the sidelines during the initial phase of the IDA Director's search. Chairman Jones then stated that he has always felt that the IDA Board maintained high ethical standards in any of their dealings/decisions, and by him stepping aside now, the track record would not be blemished. Chairman Jones then thanked the Board for allowing him to the Chair for the past few years and then thanked Pat Jones and Monica Novack for the teamwork shown by both during the transition to the new Director. Chairman Jones then thanked the Board of Supervisors for working

jointly together with the IDA Board. Chairman Jones closed by requesting the Board to continue the push on bringing the Ethanol Facility to the former Seneca Army Depot as well as keeping ITT Goulds Pumps in the forefront as a key component of the County's economic engine. Robert Kernan, on behalf on the entire IDA Board, commended Chairman Jones for his leadership to the IDA Board and requested a formal resolution be prepared thanking Brad for his contributions to the IDA.

Consideration of Executive Session:

Chairman Jones requested a motion to enter into Executive Session to discuss litigation and real estate matters. A motion was made by Robert Rosenkrans at 12:50 p.m. to enter into Executive Session. Seconded by Lee Patchen. Motion carried. A motion was made by Robert Kernan at 1:15 p.m. to come out of Executive Session. Seconded by Lee Patchen. Motion carried.

Appointment of IDA Chairman:

A motion was made by Robert Kernan appointing Robert Rosenkrans as Chairman of the Seneca County IDA until the end of 2007. Seconded by Lee Patchen. Motion carried.

Adjournment:

A motion to adjourn the meeting was made by Robert Kernan and seconded by Thomas Kime. Motion carried. The meeting adjourned at 1:16 p.m.

The next scheduled meeting will be held on **August 2, 2007 at 12:00 Noon** at Abigail's Restaurant, Route 5 & 20, Waterloo.

Respectfully submitted,

Kenneth Lee Patchen, Jr. / KLP
Kenneth Lee Patchen, Jr.
Secretary

pc: Sharon Secor, Seneca County Manager
Margaret Li, Clerk, Board of Supervisors
Shawn Griffin, Esq, Harris Beach
Russell Gaenzle, Esq, Harris Beach
Justin Miller, Esq, Harris Beach