

COUNTIES OF WARREN AND WASHINGTON
INDUSTRIAL DEVELOPMENT AGENCY

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At the Board Meeting of the Counties of Warren and Washington Industrial Development Agency held on **May 20, 2019** at the Washington County Municipal Center, Fort Edward, NY, the following members were:

PRESENT:	Matt Simpson	Chair
	Dave O'Brien	Vice Chair
	Craig Leggett	At Large Member
	Bruce Ferguson	
	Ginny Sullivan	
	Mike Wild	
	Travis Whitehead	
	Brian Campbell	Park Chair/Contracting Officer
	Nicholas Caimano	
ABSENT:	Joe LaFiura	Secretary/Treasurer
	Michael Bittel	WWIDA/CDC CEO/CFO
ALSO PRESENT:	Michael Brandi, Esq.	FitzGerald Morris Baker Firth PC
	Kara Lais, Esq.	FitzGerald Morris Baker Firth PC
	Alie White	Office Administrator
	Tom Jarrett	Jarrett Engineers
	Jack Kelley	CCIM, Coldwell Banker
	Joe Brillling	Executive Director of Washington County Sewer District II

The minutes of the meeting were taken by Alie White, Office Administrator. The Chair called the meeting to order at 4:03 p.m. Attendance was taken by roll call and the needed quorum was confirmed by the Chair.

Approval of minutes:

Mr. O'Brien made a motion to approve the minutes of the April 15, 2019 Board Meeting minutes. Mr. Caimano seconded the motion and all voted in favor of the motion by voice vote.

Accounts Payable:

Chair Simpson presented the payables. Mr. Caimano made a motion to approve the April Accounts Payable and Mr. O'Brien seconded the motion. Motion was carried and approved by roll call vote.

Old Business:

Local Labor: Chair Simpson indicated that this topic will be discussed at a future meeting due to higher priorities needing more of his attention at this time and will be taking this item off the agenda until further notice.

Park Business:

Mr. O'Brien commented on the issue Queensbury Avenue is having with slip lining due to old clay piping. Both sides of the road are affected with infiltration/inflow and the owners are getting excess bills because of this, which are becoming substantial due this being at least a nine-year problem. As the sewer districts are looking to consolidate and restructure, Mr. O'Brien made a motion to withdraw the portion of the Industrial Park that does not have infrastructure from the sewer district.

Mr. Kelley provided a map of the WWIDA Industrial Park and noted until the road gets extended and opened up, it is not economically viable unless the IDA applies for and receives a CFA grant. He mentioned since 60% of the First Phase has been filled, it would create support in receiving the grant to build the road.

Ms. Lais stated, as it was her understanding at the Sewer District Meeting, that if the IDA didn't specify which areas of the Industrial Park they wished to exclude, the sewer district would include all of it.

Mr. Brillling stated expansion of the sewer line would be available in the future should a client wish to develop in that area.

Mr. Leggett expressed concern over moving away from the original intent of that parcel being an Industrial Park where Mr. O'Brien commented this original purpose is still there but there are no intentions of developing it in the near future.

Mr. Jarrett stated if a potential buyer used a small amount of water, being added to the sewer district wouldn't be necessary as they could build their own sewer.

Mr. O'Brien made a motion to move into Executive session to discuss negotiations for potential purchasers, Mr. Campbell seconded and all voted in favor of the motion by voice vote. All attendees remained present. The board returned from Executive Session. A roll call vote was taken and unanimously approved to have FMBF draw up a request to the Kingsbury Sewer District to withdraw the sections of the Industrial Park as noted on the map, annexed at the end of the minutes hereto.

Tax Abatement Policy Updates:

Mr. Whitehead compared other area IDA's and found their base PILOT to have the same terms as a 485B with no job requirements. He also stated those terms start at 50% then goes down 5% every year until nothing in the 11th year and feels as though WWIDA should also start the base PILOT with those terms.

Mr. Campbell questioned why a developer would need the IDA for that when they could apply for a 485B on their own.

Mr. O'Brien responded that mortgage and sales tax assistance would be enough incentive to go through the IDA and the IDA is not limited to offer those specific terms noting a competitive edge to be able to make a PILOT as attractive as warranted.

It was decided to wait until Mr. Bittel was in attendance to discuss further.

PILOT Billing Update:

Ms. White stated there is still an outstanding tax bill belonging to ICC4 West Main LLC as more penalties were incurred due to the untimeliness of their payment. The penalty payment will need to be received before their Town and County taxes can be rectified.

Job Counts/Project Report/Projects Spreadsheet Proposal:

Mr. Whitehead confirmed he did receive payment from the IDA for the spreadsheet that he created to show how the PILOT payments change each year due to any tax rate and assessed value changes and stated he was ready to start training Ms. White on that as soon as she’s available.

Mr. Caimano expressed his concern over the benefits to the economic development from IDA projects are not being noted, specifically referring to Namic, which has been in business in this area for thirty years. Mr. Ferguson agreed.

Mr. Whitehead stated the Project Spreadsheet was designed to keep track of the costs that have to be reported every year and to have it all in one spot, not necessarily to record benefits.

Authorization for previous auditor to discuss ABO report with the ABO:

Mr. Simpson noted a missing agenda item in regards to permitting the IDA’s previous auditor to review with the ABO the comments that were made pertaining to the work that was done. Authorizing in doing so would only include reviewing this information and reporting back to the IDA and no one else. Mr. Simpson made a motion for this resolution, Mr. O’Brien moved and Mr. Caimano seconded. All voted in favor of the motion by voice vote.

Bookkeeping RFP Status Update:

Mr. Simpson stated the bookkeeping has been awarded to McCarthy & Conlon for review of past financials, starting in 2017, to determine issues with the bookkeeping discrepancies and assist in preparing the books in an audit-compatible format.

Dr. Keller Refinance:

Ms. Lais stated the resolution for North Country Property Holdings has been included in the meeting packet for everyone’s review. Dr. Keller is looking for approval to refinance his loan with the same lender at a lower interest rate. It’s being structured as a modification of the existing note to go on as mortgage tax exempt. The resolution was made at the IDA May Executive Park meeting to approve this with the conditions of Dr. Keller taking all necessary steps to merge the two lots together, pay any outstanding taxes and agree to escrow with his lender. Ms. Lais confirmed all these steps have been done or are currently in the process.

Mr. Campbell made a motion to approve and Mr. Wild seconded. Motion was carried and approved by roll call vote as follows:

VOTING:	AYES	NAYS	ABSTAIN	ABSENT
Matt Simpson	X			
Dave O'Brien	X			
Joe LaFiura				X
Craig Leggett		X		
Bruce Ferguson	X			
Ginny Sullivan	X			
Nick Caimano	X			
Mike Wild	X			
Travis Whitehead	X			
Brian Campbell	X			
TOTALS	8	1	0	1

Letter of Engagement from FMBF:

Mr. Simpson noted a draft of the engagement letter from FMBF is included in the meeting packet for everyone's review.

Mr. Whitehead voiced concern over attorney's fees not being listed. Ms. Lais stated attorney's fees might not be listed on the application but confirmed they are listed elsewhere in the IDA policy information.

Mr. Campbell asked if the attorney's fees could be listed in both areas, Ms. Lais agreed.

Mr. Wild moved to approve the letter of engagement with mentioned changes and Mr. Campbell seconded. Motion was carried and unanimously approved by roll call vote.

Priority List:

This agenda item was skipped due to Mr. Bittel's absence.

Bookkeeping Assistance: Mr. O'Brien stated that Susan Pruiksma was working with Ms. White but has found she no longer has the time to continue with the training. Mr. McCarthy will be submitting a proposal for conditional ongoing training with Ms. White and will have a quote by the next Board meeting.

Investment of Funds:

Mr. O'Brien stated the IDA has \$700,000 sitting in the checking account hardly make any interest. He noted it was agreed at the last Executive/Park Committee Meeting that \$600,000 should be invested as such:

1. A 30-day cd for 100,000 @ 2.05%
2. A 12-month cd for 125000 @ 2.30%
3. A six-month cd for 250000 @ 2.25%
4. A three-month cd for 125000 @ 2.20%

When the three-month cd renews, it will be rolled into a 12-month cd.

When the six-month cd renews, it will be split in half with \$125,000 in a one-year cd and \$125,00 in a three-month cd to be rolled into a twelve-month cd upon its renewal.

The end result of this would be to have four 12-month cd's, each renewing on a three-month basis.

Mr. Caimano expressed concern over the IDA already have too much money and investing it will bring more in and asked what the plans are to do with it.

Mr. Simpson stated the IDA funds keeps the IDA from needing money from Warren and Washington counties and the IDA will also be looking at other properties for purchase.

Mr. Caimano moved to approve this investment of funds and Mr. Campbell seconded. Motion was carried and approved by roll call vote as follows:

VOTING:	AYES	NAYS	ABSTAIN	ABSENT
Matt Simpson	X			
Dave O'Brien	X			
Joe LaFiura				X
Craig Leggett	X			
Bruce Ferguson	X			
Ginny Sullivan			X	
Nick Caimano	X			
Mike Wild	X			
Travis Whitehead	X			
Brian Campbell	X			
TOTALS	8		1	1

Office Space:

Mr. O'Brien met with Hoffman Realty to discuss storage space and was shown a bigger office in the same building the current IDA office is located. Mr. O'Brien found this new office space to be cost effective as it was large enough for file storage as well as being able to add a small conference table. Ms. White stated she had also viewed the potential new office space and agreed it would fit everything the IDA is looking for to be able to keep everything in the same location. The rent comparison is \$370/month currently along with a \$30/monthly charge for file storage in a different location as well as charges for that facility to deliver and retrieve any file box needing to be reviewed by the IDA vs. \$600/month for the larger office with enough room for storage.

Mr. Caimano asked about purging old files to save on space. Mr. Simpson noted this was a subject that will be readdressed once all the files are easier to physically access and review.

Mr. O'Brien made a motion to obtain the bigger office space, Mr. Campbell seconded and roll call was unanimous.

Adjournment: There being no further business, a motion was made by Mr. O'Brien and seconded by Mr. Wild to adjourn the IDA Board Meeting and move into the CDC Board Meeting. All voted in favor of the motion by voice vote. Chair Simpson adjourned the meeting at 5:44 p.m.

Date _____

Joseph LaFiura, Secretary/Treasurer