

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**TUESDAY
JULY 14, 2015
8:00 A.M.**

PLANNING DEPARTMENT CONFERENCE ROOM

MEETING NOTES

PRESENT:

TODD RULISON, CHAIRMAN
JOSEPH SEMIONE, VICE CHAIRMAN
WILLIAM SULLIVAN, TREASURER
JOE GILLIS, SECRETARY
DAVE D'AMORE, MEMBER
JAMES MRAZ, IDA EXECUTIVE DIRECTOR
KARA LAIS, FITZGERALD, MORRIS, BAKER, FIRTH PC

I. MINUTES FROM JUNE 25, 2015 MEETING:

MOTION : Accept as presented.
MADE BY : Joseph Gillis
SECONDED : Dave D'Amore
VOTE : Unanimous

II. BUDGET REPORT:

MOTION : Accept as presented.
MADE BY : Joseph Semione
SECONDED : Todd Rulison
VOTE : Unanimous

III. COMMITTEE REPORTS:

A. Nominating Committee:

- No Report.

B. Audit Committee:

- No Report.

C. Governance Committee:

- No Report.

D. Finance Committee:

- No Report.

IV. OLD BUSINESS:

A. Empire State Health Solutions' Proposed Project:

1. SEQR:

a. Proposed Action:

1. The proposed action is the development of a pharmaceutical manufacturing business on Lot 1 at the Tryon Technology Park and Incubator Center.
2. The proposed project will include:
 - Construction and operation of approximately 208,000+/- sq. ft. pharmaceutical manufacturing facility.
 - Renovation of existing 15,000+/- sq. ft. building.
 - Construction of new internal access roads, parking, lighting and stormwater collection system.
 - Construction of new water and sewer lines.
 - Installation of gas and electric and communications and fiber optics.
 - Construction of building and site security systems.

b. Resolution Adopted at June 9, 2015 Meeting:

1. At June 9, 2015 meeting, the IDA Board adopted a SEQR resolution that:
 - a. Classified the proposed action as a Type I Action.
 - b. Proposed that the IDA Board serve as Lead Agency.
 - c. Authorized the distribution of the Site Plan and Part I Environmental Assessment Form (EAF) to all Involved Agencies asking for:
 - 1) Their consent to the IDA serving as Lead Agency.
 - 2) Their comments on whether the proposed action may create any environmental impacts.

c. Input Received from Involved Agencies:

1. On June 9, 2015, letters were sent to the following Involved Agencies asking for their input and comments by Monday, July 13, 2015:
 - NYSDEC
 - NYSDOH
 - Town of Perth Planning Board

2. Letters were received from the following Involved Agencies:

- NYSDEC
- NYSDOH
- Town of Perth Planning Board

3. All Involved Agencies who submitted letters consented to the IDA serving as the SEQR Lead Agency.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated that all of the Involved Agencies have consented to the IDA's serving as SEQR Lead Agency. He asked if there were any questions about having the IDA designating itself as Lead Agency. There were none.

IDA ACTION:

MOTION: To designate the IDA as SEQR Lead Agency for the purpose of making a Determination of Significance.

MADE BY: Dave D'Amore

SECONDED: Joseph Semione

VOTE: Unanimous

d. Review Revised Site Plan:

IDA DISCUSSION: Jim Mraz reviewed the revised Site Plan drawings submitted by Empire State Health Solutions. He reviewed several modifications made to the original Site Plan including:

1. The finish floor elevation for Phase 3 building has been established. He stated this will require a significant amount of cut to level the site for Phase 3.
2. Stormwater management facilities have been added to the Site Plan.
3. The entire Phase 2 and 3 building location has been shifted slightly to the north to make room for stormwater facilities.
4. The amount of parking has been reduced to approximately 130 spaces.

IDA members then reviewed the elevation drawings for both the existing building and the proposed new buildings. There was a brief discussion regarding the visual characteristics of the existing building. Empire State Health Solutions indicated that they would be painting exterior walls of the building a neutral color. There was a discussion regarding how that would look against the bright silver roof of the building. Bill Sullivan asked if there were any design standards for the Park. Jim Mraz stated, at present, "No." Bill Sullivan recommended that such standards be put together for consideration at a future meeting. Jim Mraz stated that he would do that. Jim Mraz stated that in the absence of the design standards, the IDA was not in a position to require Empire State Health Solutions to do anything specific with respect to their buildings. He stated he could ask Empire State Health Solutions if there was a way to minimize the potential clashing of colors between the exterior walls and the roof. It was the unanimous consensus of all IDA members present to have Jim Mraz contact Empire State Health Solutions and ask them how long the existing roof is expected to last and is there anything that can be done to minimize the potential clash in colors between the exterior walls and the roof.

- e. Review Responses to Questions Sent to ESHS:
- a. The following questions/comments have been sent to ESHS to respond to:
 1. What will the exterior of the existing building look like once completed? Will windows and exterior doors be replaced? Will the building be sided or just painted? Will the existing roof be refinished? What landscaping will be provided around the building and fencing? Please provide Elevation Drawings for the existing and proposed new buildings and an overall Landscaping Plan for the entire Site.
 2. A Stormwater Management Plan prepared by a New York State Licensed Professional Engineer and prepared in accordance with NYS's Department of Environmental Conservation's Stormwater Regulations must be prepared and submitted to the IDA before it can conclude SEQR.
 3. The metes and bounds description of the property to be acquired from the IDA must be transferred from Ferguson & Foss' survey drawing onto the Site Plan.
 - b. With respect to the SEQR review the IDA is conducting, several questions were sent to ESHS:
 1. The EAF indicates that there will be two (2) shifts working at the manufacturing facility. Is this correct? How many people will be working at the facility during each shift?
 2. What type of vehicles will be used to transport medicines from the manufacturing facility at Tryon to the dispensaries? How many vehicle trips a day are projected? Will any 48' or 53' tractor trailers be utilized by ESHS?
 3. What specific pesticides and herbicides will be utilized in the growing areas? Specify how they will be contained?
 4. Where does ESHS anticipate installing solar panels on the site? Would they be ground-mounted or mounted on top of a building?
 5. How will the new buildings be connected to onsite utilities including water, wastewater, gas, electric and communications?
 6. What is the projected average daily water usage from the municipal water system and projected average daily wastewater discharge into the municipal wastewater system?
 7. What exterior building and freestanding signage is proposed to be installed? Provide illustrations of all proposed signage.
 - c. Review ESHS' written responses: See attached.

IDA DISCUSSION: Jim Mraz reviewed all of the responses received back from Empire State Health Solutions to the questions raised by IDA Board members at its last meeting. The responses to these questions were attached to the Agenda. Jim Mraz asked if there were any questions to the responses offered by Empire State Health Solutions. There were none.

- f. Environmental Assessment Form (EAF) Part II:
- As Lead Agency, the IDA must complete an EAF: Part II.
 - Part II helps to inventory all potential resources that could be impacted by the proposed project.
 - See Handout.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He explained what the EAF Part II form is utilized for. IDA members then reviewed the EAF Part II. IDA members reviewed the three (3) impacts that were checked “yes” including impacts on land, impacts on energy and impacts on noise, odor and light. For each of those impacts, all of the potential impacts were checked off as being “small.” After completing the review, Jim Mraz asked if there were any other questions. There were none. Jim Mraz explained that the primary purpose of the Part II form is to identify any potential impact that could be considered too large. Any impact classified as such would need to be further explained in the Part III form.

g. Environmental Assessment Form Part III: Evaluation of the Magnitude and Importance of Project Impacts and Determination of Significance:

- As Lead Agency, the IDA Board must complete an EAF: Part III for every question in Part II where the impact was identified as potentially large or where there is a need to explain why a particular element of the proposed action will not or may result in a significant adverse environmental impact.
- Based on its analysis in EAF: Part III, the IDA, as Lead Agency, must decide whether to require a Draft Environmental Impact Statement (DEIS) to further assess the proposed action or whether available information is sufficient to conclude that the proposed action will not have a significant adverse environmental impact.
- Review EAF: Part III.

IDA DISCUSSION: Jim Mraz reviewed the information in the Agenda. IDA members then reviewed the Part III form. Jim Mraz stated that, in the absence of any impact being marked off as “large”, no explanations included in the Part III form. Jim Mraz asked IDA members if there were any questions on the Part III form. There were none.

h. Determination of Significance:

- Based upon the information contained in the EAF Parts I and II, public comments, input from Involved Agencies and the IDA Board’s knowledge and review, the IDA Board, as Lead Agency, must make a Determination of Significance.
- The IDA Board could issue one (1) of two (2) declarations:
 1. Positive Declaration:
 - This would mean the IDA Board determined that the proposed action may create significant environmental impacts and that a DEIS should be prepared.
 - This would mean the SEQR Review would continue.
 2. Negative Declaration:
 - This would mean the IDA Board determined that the proposed action will not create any significant environmental impacts and that a DEIS does not have to be prepared.
 - This would mean the SEQR Review would end.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He explained to IDA Board members that their next responsibility as the SEQR Lead Agency is to issue a Determination of Significance. He reviewed the information on the Agenda which explained the difference between a positive and a negative declaration. He said based upon the information received, a negative declaration

could be issued. He asked Kara Lais if she saw any reason why a negative declaration could be issued. She said, “No.” Jim Mraz asked IDA Board members if there were any questions. There were none.

IDA ACTION:

MOTION: To issue a Negative Declaration on Empire State Health Solutions’ proposed pharmaceutical manufacturing facility on Lot 1 in the Tryon Technology Park and Incubator Center and to authorize and direct the Executive Director to distribute the Negative Declaration to the Chief Elected Officials in the Towns of Johnstown and Perth, all Involved Agencies and the Environmental Notice Bulletin.

MADE BY: Joseph Gillis
SECONDED: Joseph Semione
VOTE: Unanimous

B. Tryon Technology Park and Incubator Center Project:

1. Operational Responsibilities:

a. Wastewater Pump Station:

- With the pending startup of Empire State Health Solutions’ project, all wastewater that will be generated from this project will flow to the existing wastewater pump station onsite.
- The startup of this wastewater pump station will bring with it duties and responsibilities for operating and maintaining the pump station.
- The IDA will need to either secure the services of a contractor to perform operation and maintenance responsibilities or ask Fulton County to perform this work.

b. Existing Electrical System:

- Existing electrical system at Tryon was owned and maintained by New York State. As part of the transfer of Tryon to the IDA, the IDA now owns the electrical system.
- The long-term plan is to have National Grid install new electrical service into Tryon along CR117 that they would own and maintain.
- Until this new service is installed, the electrical system must be operated and maintained by the IDA.
- The IDA will need to retain an electrical contractor to perform whatever repair and/or maintenance work that may be required on the existing electrical system.
- Executive Director will prepare a Request for Proposals (RFP) to send to electrical contractors to submit proposals to the IDA to perform this work.

c. Electrical Metering:

- At present, National Grid has a main electrical meter along the former access road into Tryon.
- From this point forward, the electrical system is owned by the IDA.
- At present, National Grid will read this master meter and send a bill for all electrical consumption to the IDA.
- Empire State Health Solutions will need to install an electrical submeter that will have to be read at the same time that the main meter will be read.

- National Grid will invoice the IDA, the IDA will invoice Empire State Health Solutions, Empire State Health Solutions will pay the IDA and the IDA will pay National Grid.
- The IDA will need to have someone read Empire State Health Solutions' submeter.

DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated that the Empire State Health Solutions' Project is bringing to light the operational issues that the IDA will need to address.

Bill Sullivan asked if a new sign will be needed at the entrance to Tryon. Several IDA members commented "yes." Bill Sullivan suggested that the IDA approach the three (3) taxing jurisdictions that will be generating tax revenues from Tryon and ask them to donate funds that will be used to pay for certain expenses like putting up a sign at Tryon.

Joe Semione asked about leasing space in one of the buildings on the south side of CR107. Jim Mraz stated in order to do so, gas and electric services need to be provided there and water services restored. In addition, the sewer pump station on that side of CR107 needs to be rehabilitated. He said he was not sure what it would cost to restore these utilities and how that cost would compare to the potential lease revenue the IDA may be able to generate.

V. NEW BUSINESS:

A. Request for Early Lease Termination for Euphrates:

1. Background:

- The IDA owns the property on Enterprise Drive in the Johnstown Industrial Park currently occupied by Euphrates Cheese.
- The IDA executed a Lease Agreement with the Crossroads Incubator Corporation (CIC) on December 1, 1997. The lease included the land and building.
- The CIC constructed the building for Euphrates. Euphrates executed a Sublease Agreement with the CIC dated December 1, 1999.
- In 2005, Euphrates bought out the balance of its sublease with the CIC and got the CIC to assign the CIC's lease with the IDA over to Euphrates. As such, the IDA currently leases the property directly to Euphrates. This lease is set to expire on January 31, 2018.
- There is also a PILOT. The PILOT was dated March 1, 1988. It afforded tax exemptions for a number of years. However, those exemptions have expired.

2. Request for Early Lease Termination:

- On July 7, 2015, the IDA received a letter dated June 30, 2015 from Nikki Nicolletta Famiano, Finance Manager, at Euphrates requesting an early lease termination per Section 11.1 of its Lease Agreement with the IDA.
- Section 11.1 calls for a payment of \$1,000 per year of occupancy. As of December 1, 2015, the total due would be approximately \$18,000.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. Joe Gillis asked what would happen if Euphrates waited and allowed the lease to terminate. Jim Mraz stated that the IDA would then own the property. He stated this is the incentive in the Lease to have Euphrates pursue an early termination.

3. Resolution:
- See handout.

IDA DISCUSSION: Jim Mraz reviewed the proposed resolution titled “Resolution Approving Deed of Conveyance from the Agency to Euphrates, Inc. and Authorizing the Execution and Delivery of the Same.” Jim Mraz asked IDA members to review the resolution. He asked them if there were any questions. There were none.

MOTION: To adopt the resolution approving the deed of conveyance from the Agency to Euphrates, Inc. and authorizing the execution and delivery of the same and to authorize the IDA Attorney to take the actions needed to complete this transaction.

MADE BY: Bill Sullivan
SECONDED: Dave D’Amore
VOTE: Unanimous

B. Executive Session:

1. Upon a majority vote of its total membership, taken in an open meeting pursuant to a motion identifying the general area or areas of the subject or subjects to be considered, a public body may conduct an executive session for the below enumerated purposes only, provided, however, that no action by formal vote shall be taken to appropriate public moneys:
 - i. matters which will imperil the public safety if disclosed;
 - ii. any matter which may disclose the identity of a law enforcement agent or informer;
 - iii. information relating to current or future investigation or prosecution of a criminal offense which would imperil effective law enforcement if disclosed;
 - iv. discussions regarding proposed, pending or current litigation;
 - v. collective negotiations pursuant to article fourteen of the civil service law;
 - vi. the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation;
 - vii. the preparation, grading or administration of examinations;
 - viii. the proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof.**

MOTION: To go into Executive Session to discuss, “**the proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof.**”

MADE BY : Bill Sullivan
SECOND : Joseph Semione
VOTE : Unanimous
TIME : 8:40 a.m.

MOTION : To go out of Executive Session.
MADE BY : Joseph Gillis
SECOND : Bill Sullivan
VOTE : Unanimous
TIME : 9:50 a.m.

C. Regional Business Park Project:

MOTION: To authorize the IDA Attorney to distribute Petitions for Annexation to the property owners that the IDA has options with for the Regional Business Park Project and to file these Petitions once they are executed by the property owners.

MADE BY: Joseph Semione
SECONDED: Bill Sullivan
VOTE: Unanimous

VI. OTHER BUSINESS:

1. Next Meeting:

Tuesday
August 11, 2015
8:00 a.m.

VII. CLOSE MEETING:

MOTION : To close the meeting.
MADE BY : Joseph Semione
SECONDED : Joseph Gillis
VOTE : Unanimous
TIME : 9:55 a.m.