

# FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

TUESDAY  
MAY 10, 2016  
8:00 A.M.

PLANNING DEPARTMENT CONFERENCE ROOM

## AGENDA

PRESENT:

\_\_\_ TODD RULISON, CHAIRMAN  
\_\_\_ JOSEPH SEMIONE, VICE CHAIRMAN  
\_\_\_ WILLIAM SULLIVAN, TREASURER  
\_\_\_ JOE GILLIS, SECRETARY  
\_\_\_ DIANA PUTNAM, MEMBER  
\_\_\_ DAVE D'AMORE, MEMBER  
\_\_\_ TIM MUNN, MEMBER  
\_\_\_ KARA LAIS, IDA COUNSEL  
\_\_\_ JAMES MRAZ, IDA EXECUTIVE DIRECTOR  
\_\_\_ WILLIAM WALDRON, LIAISON  
\_\_\_ RON PETERS, FULTON COUNTY CENTER FOR REGIONAL GROWTH  
\_\_\_ MIKE ANICH, LEADER-HERALD

### I. MINUTES FROM APRIL 12, 2016 MEETING:

MOTION :  
MADE BY :  
SECONDED :  
VOTE :

### II. BUDGET REPORT:

MOTION :  
MADE BY :  
SECONDED :  
VOTE :

**III. COMMITTEE REPORTS:**

A. Nominating Committee:

- No report.

B. Audit Committee:

- No report.

C. Governance Committee:

- No report.

D. Finance Committee:

- No report.

**IV. OTHER REPORTS:**

A. Fulton County Center for Regional Growth: Ron Peters

B. Fulton County Board of Supervisors' Economic Development Committee: Bill Waldron

**V. OLD BUSINESS:**

**A. Tryon Technology Park Project:**

1. Wastewater Collection System and Pump Station:

a. Background:

- At the April 12, 2016 meeting, IDA members discussed several issues with Tryon's wastewater collection system:

1) Partially Blocked Sewer Main:

- A section of gravity sewer main from the last sewer manhole to the pump station is partially blocked.

2) Infiltration into Gravity Sewer Main:

- A significant amount of groundwater is infiltrating into sewer main.
- C.T. Male had recommended plugging four (4) sewer lines no longer in use to reduce water infiltrating into those sewer mains and into the pump station.

3) Turbulence in Sewer Pump Station's Wet Well:

- When pumps are started, turbulence develops in wet well. There should be no turbulence.
- Wastewater is being pumped out but at a slower rate than it should be.
- This turbulence indicates air is in the sewer force main that the pumps are pumping the wastewater into.

- IDA Board authorized having Adirondack Septic try to address these issues.

b. Status Report:

1. Amsterdam Septic was at Tryon on April 21 and 22 and May 3, 2016 and completed the following work:

- Plugged four (4) lateral sewers that connect into the main trunk sewer.
- Exposed two (2) manholes on force main that supposed contained air release valves. Air release valves function to continuously release air from a force main. Upon opening these manholes, air release valves were not present. Ball valves were found instead. Ball valves are manually opened to bleed air out of force mains. The valves were found to be closed. Amsterdam Septic opened the ball valves.
- The sewer pumps were started, the ball valves were opened and air was bled out of the force main.
- After doing this, there was still turbulence in the well.
- The two (2) pumps were then examined and found to not be seated correctly allowing air to be blowing out of the seal. The pumps have to be reset. It is believed this is the cause of the turbulence in the wet well when the pumps are turned on.
- The two (2) check valves just past the two (2) pumps were found to not be functioning correctly. Both check valves need to be disassembled and repaired.

IDA DISCUSSION:

2. New Electrical System at Tryon:

a. Design Fee for New Electrical System:

- On January 26, 2016, a meeting was held with National Grid to discuss having a new electrical service installed around CR117. At that meeting:
  - 1) It was agreed that the 13.2 Kv distribution service currently feeding Tryon would be adequate for the Park.
  - 2) National Grid said they would proceed with designing the new electrical service within the Park. This will involve installing an underground electrical line around the exterior of CR117.
- On April 5, 2016, National Grid e-mailed Jim Mraz and advised that they are requiring a fee of \$10,000 to design the new underground electrical line around CR117.

- On April 12, 2016, the IDA Board directed Jim Mraz to ask National Grid several questions.
- The following were the questions asked and National Grid's responses:

**Question 1:**

How was the design fee estimated to be \$10,000? Is there a schedule or formula utilized to estimate design fees? If so, what is that schedule or formula.

**Response 1:**

The Company has the right and obligation, in accordance with PSC220, the company's "tariff", to recover all costs associated with certain customer-requested projects that are deemed above and beyond the requirements normally necessary to supply service. In developing the engineering design retainer (design fee), each specific request is considered separately based on the perceived complexity of the project and the degree of labor to be expended to design the project. Typically, the retainer fee is based on the number of departments to be involved with the design and analysis of the request. The retainer is also intended to establish the level of commitment of a requester to follow through with the project, such that the Company is not allocating resources to such requests in a speculative manner. Due to the various types of projects which may be requested of the Company, their complexity and their likelihood of progression, the Company does not maintain a formal "schedule" of retainer fees for the wide variety of projects encountered. Rather, the retainer fee is intended to be a fraction of the overall project costs (engineering plus construction, plus overhead) and represents the customer's willingness to commit to the project prior to the company's commitment to expend resource.

**Question 2:**

National Grid indicated that this design \$10,000 design fee would be 100% reimbursable. Please explain how/when the IDA would be reimbursed.

**Response 2:**

Any and all engineering retainer fees paid upfront on behalf of the Customer's request shall be credited to the overall cost of the project. The retainer will be part of the post-construction reconciliation process, in accordance with the company's obligations to recover all costs expended with such customer-requested projects.

**Question 3:**

Since the IDA and National Grid have been discussing the design for a new electric service for Tryon since 2015, does this new PSC No: 220 Electric Tariff Leaf 146, Rule 28.2 even apply since

**Response 3:**

Rule 28 has been in the tariff for several years. From time to time, the language of the individual rule and sub-rules have changed, but the rights and obligations of the Company to recover such costs have historical precedent.

- IDA Members were emailed National Grid responses. A majority of IDA Members responded by saying the IDA should pay the \$10,000 fee.
- As a result, a check was sent to National Grid on May 6, 2016.

IDA DISCUSSION:

3. Building Demolition:

- Fulton County's Demolition Team commenced work on demolishing the cluster of six (6) buildings on the right side of the entrance to Tryon.
- Demolition work began on March 21, 2016.
- It is projected that this work will be completed in June, 2016.

4. Lawn Mowing:

- A Request for Quotes was distributed to nine (9) companies or individuals to cut grass at Tryon.
- Quotes were due on April 20, 2016.
- Three (3) quotes were received:

<b>COMPANY/INDIVIDUAL</b>	<b>BRUSH HOGGING/FLAIL MOWER</b>	<b>FINISH MOWING</b>	<b>TOTAL</b>
<b>Greenscapes (Glen Henry)</b>	<b>\$ 4,320.00</b>	<b>\$ 3,200.00</b>	<b>\$ 7,520.00</b>
Evergreen Landscaping (Chris Snyder)	\$ 5,500.00	\$ 2,170.00	\$ 7,670.00
James Esper Landscape (James Esper)	\$ 9,000.00	\$ 3,000.00	\$ 12,000.00

- Previous Year Costs:

2014: \$5,160  
2015: \$8,820

IDA DISCUSSION:

IDA ACTION:

MOTION:

MADE BY:

SECONDED:

VOTE:

**B. Fulton County Capital Resources Corporation (FCCRC):**

1. Status Report:

- Presented IDA's recommendation on March 30, 2016 to the Economic Development and Environment (ED & E) Committee. ED & E Committee unanimously approved creating the FCCRC.
- Finance Committee met on March 31, 2016 and also recommended approval.
- Board of Supervisors met on April 11, 2016 and withdrew the resolution.
- The Board questioned whether debt issued by the FCCRC could become the liability of the County and County taxpayers.
- The County Attorney is conducting further research on this issue.

IDA DISCUSSION:

**C. IDA Reform Legislation:**

1. IDA Project Application:
  - Review proposed new Project Application.
2. Clawback Policy:
  - Input from Kara Lais.
3. Project Evaluation Criteria:

IDA DISCUSSION:

IDA ACTION:

MOTION:

MADE BY:

SECONDED:

VOTE:

**V. NEW BUSINESS:**

**A. 160 Enterprise Drive Property:**

1. Background:
  - IDA currently owns the property at 160 Enterprise Drive in the Johnstown Industrial Park.
  - IDA leases the property to the CIC. The CIC subleases it to Yusen.
  - IDA's lease with the CIC expires on June 30, 2016.
  - IDA's lease with the CIC has an early lease termination provision to allow the CIC to take title to the property.
  - CIC has advised the IDA that it will not be pursuing an early lease termination.
2. Foreclosure Proceeding:
  - NBT has commenced a Foreclosure Proceeding against the property due to the CIC being delinquent on payments due NBT from a mortgage the CIC has on the property.
  - Court has appointed a receiver to oversee operation, management and control of all aspects of 160 Enterprise Drive property.
  - Receiver is Bill Keniry, Esq. from the law firm of Tabner, Ryan & Keniry in Albany, NY.
3. Impacts of Lease Termination:
  - Presentation by Kara Lais.

IDA DISCUSSION:

IDA ACTION:

MOTION:

MADE BY:

SECONDED:

VOTE:

**B. Building 3 at Tryon Technology Park:**

1. Background:

- Building 3 at Tryon is the former Administrative/Education complex that contains:
  - Classrooms
  - Offices
  - Workshops
  - Cafeteria
  - Pool
  - Gym
  - Auditorium
- Goal has been to convert building into a Regional Business Training and Incubator Center.
- Building contains approximately 75,000 sq. ft.

2. HVAC System:

- HVAC System has been shut down since June 2011.
- Heating system is original. It was installed in 1966 making it 50 years old.
- Heating system consists of two (2) gas-fired boilers.
- Cooling system was installed in 2010 but has never been used.

3. Building Conditions Survey:

- In December 2015, the IDA hired an engineering firm to conduct a Buildings Conditions Survey.
- With respect to Building 3's heating system, the report recommended:
  - 1. The boilers be replaced.
  - 2. VFD's and hot water distribution pumps should be replaced.
  - 3. The DDC control system be replaced.
- Estimated cost to replace boilers/DDC System: \$1.2+ million

4. Start-Up of HVAC System:

- Fulton County has \$150,000 in 2016 Capital Budget to help fund a project to restart the HVAC System.

- Additional funding available includes:

\$150,000	:	Fulton County
\$184,153	:	Northern Borders Regional Commission Grant
\$ 65,847	:	IDA's match to Grant
<u>\$ 30,000</u>	:	<u>ESD Grant</u>
\$430,000	:	Total

5. Restarting HVAC System:

- Given the findings of the Buildings Conditions Survey, should funds be expended to restart the HVAC System?
- Should funds be redirected to another purpose?

IDA DISCUSSION:

IDA ACTION:

MOTION:

MADE BY:

SECONDED:

VOTE:

**C. Lands on South Side of County Road 107:**

1. Background:

- IDA owns 26.88 acres of land on south side of CR107 at Tryon.
- Seven (7) buildings exist on the property.
- Water and sewer services are available but are not turned on.
- Electric and gas services exist but are turned off.

2. Town of Perth Zoning:

- These 26.88 acres are zoned BTZ: Business and Technology Zone
- The following uses are allowed:
  - 1) High tech information, communication, commercial computer services and related businesses.
  - 2) Research and development of materials, methods or products, including engineering and laboratory uses, renewable energy businesses, nano sciences and commercial and physical research, and related uses.
  - 3) Business and professional offices including single or multi-unit office buildings.
  - 4) Manufacturing, processing, assembly, fabrication and related facilities.
  - 5) Warehouse and distribution facilities as a component of a manufacturing, processing, assembly, fabrication and related facilities.
  - 6) Fitness and Recreational Sports businesses.
  - 7) Educational facilities.
  - 8) Retail, commercial and service businesses such as:
    - Banks/credit unions
    - Restaurants and sandwich shops
    - Daycare facilities



- 9) Hotel/Conference Center/Motel
- 10) Housing
- 11) Medical Offices and health Care Facilities

3. Fulton County Development Strategy:

- As part of the preparation of the Development Strategy, River Street will assess this 26.88 acres of land and offer input.

4. Long-term Vision:

- What is the IDA Board's long-term vision for this property?

IDA DISCUSSION:

**VI. OTHER BUSINESS:**

**VII. NEXT MEETING:**

Tuesday  
June 14, 2016  
8:00 a.m.

(Need to reschedule due to conflict)

**VIII. CLOSE MEETING:**

MOTION :  
MADE BY :  
SECONDED :  
VOTE :  
TIME :