

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**TUESDAY
NOVEMBER 10, 2015
8:00 A.M.**

PLANNING DEPARTMENT CONFERENCE ROOM

MEETING NOTES

PRESENT:

TODD RULISON, CHAIRMAN
WILLIAM SULLIVAN, TREASURER
DIANA PUTNAM, MEMBER
DAVE D'AMORE, MEMBER
TIM MUNN, MEMBER
JAMES MRAZ, IDA EXECUTIVE DIRECTOR
KARA LAIS, FITZGERALD, MORRIS, BAKER, FIRTH PC
BILL WALDRON, LIAISON, ECONOMIC DEVELOPMENT COMMITTEE

INTRODUCE NEW IDA MEMBER:

- Tim Munn was appointed by the Board of Supervisors on November 9, 2015 to fill the vacancy created by the recent resignation of George Bevington.

I. MINUTES FROM OCTOBER 13, 2015 MEETING:

MOTION : Accept as presented.
MADE BY : Diana Putnam
SECONDED : Dave D'Amore
VOTE : Unanimous

II. BUDGET REPORT:

MOTION : Accept as presented.
MADE BY : Todd Rulison
SECONDED : Diana Putnam
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. **Tryon Technology Park Project:**

1. Review Proposal from C.T. Male regarding development of a Solar Array:

a. Background:

- At the October 13, 2015 IDA meeting, Scott Goodwill, Division Manager for C.T. Male's Energy Services Group spoke to the IDA Board about the concept of constructing a solar array at Tryon.
- At the end of Mr. Goodwill's presentation, the IDA Board asked Mr. Goodwill to prepare a proposal to conduct a preliminary engineering evaluation on the size of a solar array that could be developed on a 30-60-acre parcel on the western edge of the Tryon parcel.

b. Review C.T. Male's Proposal:

- See Handout.

IDA DISCUSSION: Jim Mraz presented the information on the Agenda and asked for IDA members' input regarding the proposal received from C.T. Male. Todd Rulison asked whether the project would involve the IDA generating a revenue from leasing land to a solar developer? Dave D'Amore stated that it was his recollection from C.T. Male's presentation that how revenues are generated from solar projects is still evolving. He stated some projects are involving land leases that would generate a reoccurring income for the property owner. Jim Mraz stated that this is how it would hopefully work for the IDA. The IDA would lease the land to a solar company and the solar company would pay an annual lease payment to the IDA. He stated this would result in the IDA generating an annual reoccurring income to fund operations. Dave D'Amore asked why C.T. Male's proposal included a price range. Jim Mraz stated that this is how he asked C.T. Male to prepare its proposal. He stated he was not sure what price range the IDA Board would be comfortable with so he asked C.T. Male to provide a range. He said IDA Board members could then decide how much money they would be willing to expend. Jim Mraz stated that C.T. Male's proposal

includes two (2) work components. The first would be preliminary engineering. It would be during this phase that C.T. Male would evaluate how large of a solar array that could be developed on the site. The second part would be for them to develop an RFP for the IDA to distribute to solar developers to obtain proposals from them to develop, build and operate the solar array. Bill Sullivan asked if C.T. Male would be contacting actual solar development firms for their input on the feasibility of this project. Jim Mraz stated that he thought that that would be a reasonable work task for C.T. Male to perform. He stated that he would talk to them about it. Bill Sullivan asked about why C.T. Male was asked to speak to the IDA Board and not someone else. Jim Mraz stated that C.T. Male is an engineering firm that has an energy division and has worked on solar projects before. That background, as well as the fact that they are the engineers for the Tryon Technology Park, was the basis for having them speak to the IDA Board about developing a solar array.

Bill Waldron stated that Fulton County is in the process of working with a solar firm to develop a solar array at the landfill. He stated the County utilized a similar process to what the IDA is now discussing. The County had an engineering firm conduct an evaluation. Based on that evaluation, a decision was made to proceed. Multiple proposals were received from solar companies. The County then selected a firm to work with.

Jim Mraz asked IDA Board members if they were comfortable with proceeding with doing the preliminary engineering work? Dave D'Amore stated that he thought the IDA should proceed with the preliminary engineering work. He stated this work will verify whether it would be financially feasible to pursue the development of a solar array. He recommended that the IDA pursue an agreement with C.T. Male at the cost of somewhere in the midrange of around \$7,500+/- for this work.

IDA ACTION:

MOTION: To authorize the Chairman to execute an agreement with C.T. Male Associates in an amount of approximately \$7,500+/- to perform a preliminary engineering evaluation on developing a solar array at the Tryon Technology Park.

MADE BY: Dave D'Amore

SECONDED: Bill Sullivan

VOTE: Unanimous

2. Northern Borders Regional Commission Grant:

a. Background:

- Northern Borders Regional Commission (NBRC) has awarded a \$184,153 grant to the IDA to perform certain work on Building 3:
 - Restart HVAC System
 - Repair roof leaks
 - Interior/exterior renovations
- The local share of \$65,847 will be provided by the IDA.
- Fulton County has also appropriated \$150,000 into its 2016 Capital Budget towards this project.
- NBRC has advised that it does not want Fulton County's additional \$150,000 to be included into their project.

b. Grant Agreement:

- At its last meeting, the IDA Board agreed to have Fulton County take the lead on this project and serve as the contracting entity for the engineering and construction contract that will eventually be awarded.
- In order to do so, the NBRC has advised that Fulton County must become a co-applicant to their grant with the IDA.
- A formal request has been filed to get Fulton County to be a co-applicant with the IDA on the NBRC grant.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated that the NBRC advised that it does not want the County money to be added with their grant for this project. They prefer to have the County funds spent separately. Jim Mraz explained that he has asked the NBRC to modify its grant by having the County to be a co-grantee. If this is granted, then the County could serve as the contracting entity for this project.

3. Empire State Health Solutions' Project:

a. License Agreement:

1) Background:

- At its May 12, 2015 meeting, the IDA Board authorized the Chairman to execute a License Agreement with Empire State Health Solutions (ESHS).
- The License Agreement allowed ESHS to start renovation work in the building on the lot they were going to purchase from the IDA.
- The License Agreement was to expire on October 31, 2015 or when ESHS purchased the lot, whichever occurred first.
- Since ESHS hasn't purchased the lot yet, the License Agreement expired on October 31st.
- ESHS has advised that they prefer to wait until January, 2016 to close on the lot.
- As a result, the License Agreement needs to be amended to extend the term.

2) Proposed Amendment No. 1:

- Proposed Amendment No. 1 would extend the term of the License Agreement to January 31, 2016.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated that ESHS has asked to not close on the property until January due to tax reasons for the company. Jim Mraz stated that he asked Kara Lais if there would be any issues with this. She stated there were none. As a result, the existing License Agreement is being proposed to be extended to January 31, 2016.

IDA ACTION:

MOTION: To authorize the Chairman to execute Amendment No. 1 to the License Agreement with ESHS subject to the final review and approval of Amendment No. 1 by the IDA Attorney and Executive Director.

MADE BY: Bill Sullivan
SECONDED: Diana Putnam
VOTE: Unanimous

b. Electrical Service Agreement:

1) Background:

- The IDA owns the electrical system at Tryon.
- The long-term plan is to have National Grid install a 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.
- At present, National Grid has a main electrical meter along the former access road into Tryon.
- National Grid is reading this master meter and sending a monthly bill to the IDA for all electrical consumption at Tryon.
- At present, the only uses of electricity at Tryon is ESHS and the wastewater pump station.
- ESHS has installed an electrical submeter that will be read at the same time that the main meter will be read to determine how much electricity ESHS is using.
- National Grid is invoicing the IDA, IDA is paying National Grid's invoice and ESHS is reimbursing the IDA.

2) Proposed Electrical Service Agreement:

- It is recommended that the IDA enter into a formal Agreement with ESHS that describes this arrangement and commits ESHS to reimburse the IDA for their electrical consumption.
- This Agreement would remain in effect until National Grid installed its new, permanent electric service and ESHS connects into that service.
- When that occurs, National Grid will invoice ESHS directly.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated the intent of this Agreement would be to formalize the informal arrangement that currently exists for ESHS to reimburse the IDA for electrical costs at Tryon. He stated ESHS has just installed its own electrical submeter on its property. From this point forward, the goal is to have ESHS read its submeter on the same day that National Grid reads the Master Meter. The IDA would receive the National Grid invoice, as well as ESHS' meter reading. Based upon ESHS' meter reading, a determination would be made as what their prorated share of the overall Master Bill would be. ESHS would then be invoiced for that amount and the balance would be the IDA's responsibility.

Kara Lais stated that, conceptually, she was okay with this Agreement but would like to add one (1) provision indicating that this Agreement is solely for the purposes of billing and would not be able to be used by ESHS for other purposes. She stated that she would provide Jim Mraz with some language to that effect.

Jim Mraz asked IDA members if they were comfortable with authorizing the Chairman to execute this Agreement subject to the language of the Agreement being finalized by Kara Lais and Jim Mraz. It was the unanimous consensus of all present that that was acceptable.

Jim Mraz asked if there were any further questions on this concept. There were none.

IDA ACTION:

MOTION: To authorize the Chairman to execute an Electrical Services Agreement with ESHS subject to the final review and approval of the Agreement by the IDA Attorney and Executive Director.

MADE BY: Dave D'Amore

SECONDED: Tim Munn

VOTE: Unanimous

4. Tryon Targeted Industry Analysis and Marketing Plan:

a. Targeted Industry Cluster Analysis:

➤ Based upon the research conducted by DCG Corplan, the following seven (7) Targeted Industry Clusters have been identified:

- Biomedical R&D
- Food and Beverage
- HQ and Business Services
- Renewable Energy
- Software and Media
- Health Care Products and Services
- Electronics

➤ DCG Corplan has prepared industry prospectuses for each Targeted Industry Cluster.

- See Handout.

b. Lead Generation:

➤ DCG Corplan has retained the firm Applied Marketing from Cardinal, Indiana to identify potential leads in these Industry Clusters.

➤ Once a lead is identified, it will be turned over to Fulton County for Fulton County, IDA and/or FCCRG to follow-up and initiate contact with the lead.

➤ Applied Marketing will start work on February 1, 2016.

➤ Applied Marketing is not starting until February 1, 2016 to allow for two (2) work tasks to be completed:

- Tryon website
- Tryon Marketing Brochure

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated that the Lead Generation work is scheduled to commence on or around February 1, 2016. By then, it is hoped that a Tryon Marketing Brochure, the Industry Prospectuses and the Tryon website will all be completed. Jim Mraz stated that these initiatives are all being advanced by Fulton County as part of its partnership with the IDA in the development of the Tryon Technology Park Project.

5. Door Lock for Control Building at Wastewater Pump Station:

- Door lock on door to Control Building is broken.
- Fulton County's Facilities Department will replace lock.
- Total Cost: \$99.00

IDA ACTION:

MOTION: To authorize purchasing from Stewart & Bergen Co. a new lock for the door to the Tryon Wastewater Pump Station Control Building at a cost of \$99.00.

MADE BY: Bill Sullivan

SECONDED: Dave D'Amore

VOTE: Unanimous

6. Wastewater Pump Station on South Side of CR107:

a. Phase I Project:

- As part of Fulton County's Infrastructure Improvement Project, an allowance was incorporated into the Contractor's contract to renovate the Wastewater Pump Station on the south side of CR107.
- This second pump station is shut down.
- This second pump station services all existing building on the south side of CR107.
- Actual cost to renovate pump station will far exceed the amount of money included in the Contractor's allowance.

b. Onsite Wastewater System:

- As a result, an investigation/evaluation is being conducted to determine the feasibility and cost of installing a standard septic system to serve the two (2) buildings on the south side of CR107 that the IDA Board has expressed an interest in potentially leasing.
- C.T. Male and the Fulton County Soil and Water Conservation District are conducting this investigation/evaluation.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated that he would update IDA members at its next meeting on the investigations being conducted to determine if building a standard onsite septic system would be acceptable.

V. NEW BUSINESS:

A. New York State Economic Development Council:

- The IDA has received an invoice in the amount of \$750 from the NYS Economic Development Council for 2016 dues.
- This amount was budgeted in the IDA's 2015 Budget.

IDA ACTION:

MOTION: To authorize a payment of \$750.00 to the NYS Economic Development Council for the 2016 dues.

MADE BY: Bill Sullivan

SECONDED: Todd Rulison

VOTE: Unanimous

B. IDA Seal:

- The IDA needs to purchase a new seal.
- The estimated cost of this seal is approximately \$50+/-.

IDA ACTION:

MOTION: To authorize the Executive Director to purchase a new seal for the Fulton County Industrial Development Agency.

MADE BY: Dave D'Amore

SECONDED: Bill Sullivan

VOTE: Unanimous

V. OTHER BUSINESS:

A. Next Meeting:

Tuesday
December 8, 2015
8:00 a.m.

VI. CLOSE MEETING:

MOTION : To close the meeting.

MADE BY : Bill Sullivan

SECONDED : Dave D'Amore

VOTE : Unanimous

TIME : 9:15 a.m.