

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**TUESDAY
MAY 16, 2017
8:00 A.M.**

PLANNING DEPARTMENT CONFERENCE ROOM

MEETING NOTES

PRESENT:

JOSEPH SEMIONE, CHAIRMAN
DAVE D'AMORE, VICE CHAIRMAN
WILLIAM SULLIVAN, TREASURER
JOE GILLIS, SECRETARY
DIANA PUTNAM, MEMBER
TODD RULISON, MEMBER
TIM MUNN, MEMBER
JAMES MRAZ, EXECUTIVE DIRECTOR
KARA LAIS, FITZGERALD, MORRIS, BAKER, FIRTH PC
SCOTT HENZE, PLANNER
BILL WALDRON, LIAISON, ECONOMIC DEVELOPMENT COMMITTEE
RON PETERS, FCCRG

I. MINUTES FROM APRIL 11, 2017 MEETING:

MOTION : Accept as presented.
MADE BY : Joseph Gillis
SECONDED : Timothy Munn
VOTE : Unanimous

II. BUDGET REPORT:

MOTION : Accept as presented.
MADE BY : Joseph Semione
SECONDED : William Sullivan
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.

E. Other Reports:

- Economic Development Committee : Bill Waldron
- Fulton County Center for Regional Growth : Ron Peters

DISCUSSION: Ron Peters stated that the FCCRG and the Fulton County Board of Supervisors are working on the two (2) major marketing events being held this year. He stated he will be attending the Select USA Summit in June in Washington, D.C. He requested 50 Tryon brochures be Fedexed to his hotel for that event. Ron Peters stated that he's currently working on four (4) expansion projects in the Johnstown Industrial Park.

IV. OLD BUSINESS:

A. Proposed Solar Array Project:

- Still waiting for Public Service Commission (PSC) to release solar credit rate/valve stack.

B. Perth Primary Care Clinic Project:

- At the December 13, 2016 meeting, the IDA Board authorized the Chairman and Executive Director to prepare and execute whatever documents may be needed to allow for Nathan Littauer to pay off the bonds issued for this project and purchase the project.
- Nathan Littauer Hospital is working with Joe Scott, IDA Bond Counsel, and the CIC to complete this transaction.
- Draft documents have been distributed. Kara Lais has reviewed the draft documents and found them acceptable.
- Closing to be held soon.

C. 2017 Marketing Initiatives:

- Fulton County and the Fulton County Center for Regional Growth are working together on conducting two (2) major economic development marketing initiatives in 2017.

1. Commercial and Industrial Real Estate Brokers Symposium:

- Purposes : 1. To market the Tryon Technology Park
2. To market the Hales Mills, Vail Mills and Tryon Development Areas
- Date : Wednesday
June 21, 2017
- Sessions : 1. 10:00 a.m. – Noon
2. 3:00 p.m. – 5:00 p.m.
- Location : Tryon Technology Park
- Target Audience : 1st Session for Brokers that are CIREB Members
: 2nd Session for Local Brokers

2. Site Selectors' Advisory Forum:

- Purpose : 1. To market Fulton County to Corporate Site Selectors.
2. To market the Tryon Technology Park to Corporate Site Selectors.
3. To hear from Corporate Site Selectors on current best practices in economic development marketing.
- Date : Thursday-Friday
September 7-8, 2017
- Event will feature several Corporate Site Selectors from the Site Selectors Guild (SSG).
- Review draft 1-page slip sheets regarding Building 3 and Regional Business Training and Incubator Center to hand out at session.

IDA DISCUSSION: Scott Henze reviewed the draft 1-page slip sheets that have been prepared for both Building 3 and the Regional Business Training and Incubator Center. Jim Mraz stated that copies of these slip sheets will be available for brokers at the June 21st event.

Jim Mraz stated that approximately 175 local salesmen and brokers from the Fulton-Montgomery County Region will be invited to the second session on June 21st. He stated the CIREB is handling the invitations going out directly to CIREB members. He stated he's hopeful that these events will draw attention to the positive things that are ongoing in Fulton County.

V. NEW BUSINESS:

A. Emergency Generator at Tryon Technology Park:

1. Background:

- The IDA owns the emergency generator located adjacent to Building 60 at the Tryon Technology Park.
- The Generator, which used to provide emergency backup power to the former Tryon Campus, has not been used in six (6) years.

2. Request from Vireo Health:

- Vireo Health desires to rehabilitate and reactivate this generator to provide emergency backup power for their facility.
- If reactivated, the generator would also provide backup power for the wastewater and water pumping stations.
- Vireo Health would pay all costs associated with rehabilitating this Generator as well as its operation and maintenance.
- Vireo's decision on whether to proceed depends on when National Grid will complete work on installing new electric service.

3. Status of National Grid's Design of New Electric Service:

- On 4/17/17, Jim Mraz e-mailed National Grid for a Status Report on their design work. There had been no contact from National Grid since November 2016.
- On 4/20/17, National Grid responded. They advised that:

“To date, the electric work requests, one for the overhead line extension on County Route 107, another for the underground commercial development to extend the electric throughout the designated lots and an additional order to install the necessary equipment to provide 3 phase, have been designed. Included in this 3-phase work are poles, guy/anchors, conductor, reclosure and other appurtenances for a 3 phase line extension. The work requests are currently in the process of being reviewed for charges. We are close to providing an estimate for the associated costs. Once completed, I will notify you to discuss in further detail.”

4. Proposed Agreement:

- An Agreement has been drafted between Vireo Health of New York, LLC and the Fulton County Industrial Development Agency to allow Vireo Health to pursue rehabilitating the Generator.
- The Agreement identifies all of the duties and responsibilities that Vireo Health would have.
- The draft Agreement has been reviewed by Kara Lais and she has found it to be acceptable.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated that the draft agreement stipulates that the IDA would have no responsibility for repairing and maintaining the generator nor would it incur any costs. He stated Vireo would only proceed with this work if it determined that National Grid would not be completing the installation of the new electric service within a reasonable period of time. Jim Mraz stated that he asked National Grid recently when they would be proceeding with work on installing the new electric service. He reviewed National Grid's e-mail response included in the Agenda. He stated that the response provided no timeframe on when this work would be completed. He reminded IDA Board members that National Grid has previously advised that the “customer” would be responsible for installing two (2) 5” conduits around County Road 117 which National Grid would pull its electrical cables through for the new electric service. National Grid also advised that the “customer” would be responsible for putting in the concrete basis for the electrical switchgear that would need to be installed at each property corner. He stated that he does not know what the cost would be for this work. He stated that is what National Grid is working on developing a cost estimate for this work. Bill Sullivan questioned why the customer has to install this work and not National Grid. Todd Rulison stated that utility companies have gotten permission from the NYS Public Service Commission allowing them to charge back to the customer for the cost of installing services upfront to facilities like the Tryon Technology Park.

Jim Mraz asked if there were any further questions regarding this draft agreement. There were none.

IDA ACTION:

MOTION: To authorize the Chairman to execute an Agreement with Vireo Health regarding the emergency generator at the Tryon Technology Park.

MADE BY: Dave D'Amore

SECONDED: Todd Rulison

VOTE: Unanimous

B. IDA Website:

1. Background:

- At the April 11, 2017 meeting, IDA members discussed hiring a firm to prepare a new website.

2. Summary of Input Received:

- Several firms were contacted and asked for ballpark estimates for preparing a new IDA website.
- See Handout.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He asked IDA Board members to review the spreadsheet that was attached to the Agenda. Scott Henze reviewed the information on the spreadsheet. It summarizes the essence of the discussions he had with four (4) local firms regarding what they may charge to prepare, operate and maintain a website for the IDA. Scott Henze advised that the figures included in the spreadsheet from all firms regarding costs to build and maintain the websites were best estimates only. He stated that the actual cost would be based upon the actual amount of time and effort spent to build the website. The figures provided were what each firm said was their best estimate.

Bill Waldron stated that he spoke with the County's IT Department recently. He stated they've agreed to update the IDA's website. There was a discussion regarding whether the IDA should continue to have its website as part of the County's website or hire an entity to build and host an independent website. Several IDA Board members raised concerns over the County's ability to maintain the IDA's website in accordance with the ABO's standards. Jim Mraz advised that the first issue the IDA Board needs to address is whether they want to continue having its website on the County's website or to develop its own website. Jim Mraz stated that based on the input provided by Bill Waldron, it appears the County's IT Department will keep the website current. Jim Mraz asked Ron Peters what site selectors and companies looking for sites use to find sites. Ron Peters said websites. Jim Mraz stated an organization's website look is important. After further discussion, it was the unanimous consensus of all IDA members present to have the IDA pursue hiring a firm to develop its own website. Jim Mraz advised that the second question would be which of the four (4) firms that were contacted does the IDA Board want to hire to build and maintain the website or does the IDA Board desire to contact additional firms. After a brief discussion, it was the unanimous consensus of all IDA Board members present that Emery Design would be the best firm to build and maintain the IDA's website.

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

IDA ACTION:

MOTION: To authorize the hiring of Emery Designs from Gloversville, NY to build a new IDA website with the cost of building the website at approximately \$5,000.

MADE BY:

SECONDED:

VOTE:

C. Public Work Enforcement Fund:

1. Background:

- On March 31, 2017, the IDA received a letter, dated March 27, 2017, from the NYS Department of Labor regarding a program known as the Public Work Enforcement Fund.
- The Department of Labor asked IDA to execute an Affirmation Notice attesting that the IDA had reviewed the supplied information and the IDA's responsibility concerning the Public Work Enforcement Fund.
- If a signed Affirmation Notice is not received within 30 days of the date of this letter, the IDA will be referred to the Office of the State Comptroller for further action.

2. Letter from NYS Economic Development Council (NYSEDC):

- On April 6, 2017, the IDA received a letter from the NYSEDC regarding this Affirmation Notice from the Department of Labor.
- The letter advised that:
 - NYSEDC was reviewing the matter to determine if the law was intended to apply to local public authorities. The law was enacted in 1995 and had never been applied to IDA's in the past.
 - NYSEDC contacted senior staff at DOL to determine if IDA's have ever been notified of this requirements in past, or if any IDA's have ever paid.
 - NYSEDC also notified the Governor's Office and senior legislative staff about the issue.
 - In light of this outreach, and because agencies have 30 days to return the signature page to DOL, NYSEDC recommended that IDA's NOT return the signature page at this time. NYSEDC would continue to seek answers and solutions to this matter over the next few weeks, and will provide further guidance to IDA's before the 30-day window closes.

3. Input from Hodgson Russ:

- On April 25, 2017, the IDA received an e-mail from Hodgson Russ, the IDA's Bond Counsel, that had attached a letter Hodgson Russ recommended the IDA send back to the Department of Labor.
- Hodgson Russ advised IDA staff to consult with the agency's attorney.
- On April 25, 2017, all IDA's received an e-mail from Brian McMahon, NYSEDC. The e-mail said that the NYSEDC has discussed a flaw in the signature page language with the Director of DOL's Public Works Division. He was not aware of the oversight. He indicated that IDA's could, instead of signing and returning the signature page, send a separate letter stating you received the initial letter and agree to pay into the fund any time the IDA enters into a public works contract.
- The letter and e-mail were forwarded to Kara Lais to review.

- Kara Lais' firm recommended signing and sending in the letter drafted by Hodgson Russ.
- Joe Semione signed this letter and it was sent into the Department of Labor.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He asked Kara Lais if there were any updates. Kara Lais stated she expects IDA's will received a new letter from the State later this year.

VI. OTHER BUSINESS:

A. 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 :
 SECOND :
 VOTE :
 TIME :

MOTION : To go out of Executive Session.

MADE BY :
SECOND :
VOTE :
TIME :

B. Regional Business Park Purchase Option Agreements:

- The IDA currently has Purchase Option Agreements with the two (2) property owners that own the properties comprising the Regional Business Park.
- These options are set to expire at the end of 2017.

IDA ACTION:

MOTION: To authorize the IDA Attorney to ask each property owner to sign an agreement to extend their Options through December 31, 2019.

MADE BY: Joseph Semione
SECONDED: Timothy Munn
VOTE: Unanimous

VII. NEXT MEETING:

Tuesday
June 13, 2017
8:00 a.m.

VIII. CLOSE MEETING:

MOTION : To close the meeting.
MADE BY : William Sullivan
SECONDED : Dave D'Amore
VOTE : Unanimous
TIME : 9:20 a.m.