



MINUTES

September 24, 2019

Herkimer County Industrial Development Agency Board of Directors Regular Meeting held in the Herkimer County Chamber of Commerce conference room, 420 E. German Street, Herkimer, NY 13350.

STAFF

JOHN J. PISECK, JR.
Executive Director

STACEY J. HOLLERAN
Office Manager

VICTORIA L. ADAMS
Administrative Assistant

BOARD OF DIRECTORS

VINCENT J. BONO
Chairman

DAVID M. CHLUS
Vice Chairman

JOHN SCARANO
Secretary

MICHAEL WERENCZAK
Treasurer

CORY ALBRECHT
Director

CATHERINE RICCI
Director

ANN GAWORECKI
Director

After the Pledge of Allegiance, Chairman Vincent (Jim) Bono called the meeting to order at 8:03 AM.

The following members answered the roll call: Vincent (Jim) Bono, David Chlus, Ann Gaworecki, Michael Werenczak, Catherine (Cate) Ricci, John Scarano. Quorum Present.

Members Absent: Cory Albrecht

Staff Present: John Piseck, Stacey Holleran, Victoria Adams

Also Present: Bernard Peplinski, James Wallace, Bill McDonald, Assemblyman Robert Smullen

Mr. Bono asked Assemblyman Smullen to speak on the recent announcement by a North Carolina Company to build a \$1 billion factory in Marcy. Cree, Inc. plans to build the world's largest silicon carbide fabrication facility to supply the future electric car and auto industry. The park where the facility will be built also contains space for two additional structures. The new facility will be a great opportunity to bring high tech jobs to the area. Mr. Piseck expressed a need to bring broadband to rural areas and inquired if the payments could be in stages as opposed to payment upon completion. Mr. Piseck also stated that the IDA would miss out on development opportunities if prevailing wage were required on IDA projects.

Minutes: The minutes of the August 27, 2019 regular meeting and the September 5, 2019 special meeting were offered for review. **Cate Ricci moved, seconded by John Scarano to approve presented minutes. Motion Carried.**

Financial Reports: The following financial reports were offered for review and approval: 2019 August Operating Report, Operating Account, Account Balances, RLF/Lease Balance with payment status, and PILOT payments received to date. Mr. Piseck stated that a payment of approximately \$20,000 to the USDA IRP loan is set to be withdrawn this month, and a draw-down of \$50,000 in funds will be requested from the county in October. **Ann Gaworecki moved, seconded by Michael Werenczak, to approve all financial reports as presented. Motion Carried.**

SunEast Watkins Road Solar, LLC: Mr. Piseck stated that a meeting was held in the Town of Schuyler for the SunEast Watkins Road Solar, LLC project, and everyone at the meeting was in favor of the project moving forward. More testing of the environmental aspects of the property will need to take place prior to continuing the project.

420 E. German Street, Box 1 Suite 101A, Herkimer, NY 13350 315-866-3000

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Budget 2020: Mr. Piseck stated that the IDA is looking good for 2020. He stated that Turbo Machined Products project will not be moving forward until 2020. They are still working out the details of their CDBG, state, and CFA funding. The IDA will not be requesting additional funds for the Contractual and Empire Zone contributions received from the county. Increases to marketing, computer upgrades, legal fees, and travel are included. Business park expense will increase to accommodate additional site maintenance. The IDA will be looking into hiring a different auditor due to the amount of years the current auditor has been completing the audit. Mr. Piseck stated that it may be a good idea to have a different set of eyes on the books. **Cate Ricci moved, seconded by John Scarano, to approve the budget to be submitted for the 2020 year. Motion Carried. Approved 2020 budget attached.**

Project Updates/Other Business:

Mohawk Valley Edge:

The Executive Director attended a Brownfield Redevelopment Forum hosted by Mohawk Valley Edge. Mr. Piseck was given the opportunity to present to developers as well as representatives from the Department of Environmental Conservation and New York State.

Site Selector's Guild:

The IDA will be hosting a Site Selector's guild on October 22, 2019 at the Herkimer Diamond Mines. Mr. Piseck stated that the IDA board will have one hour of time with the site selectors. The IDA will have a presentation prepared and displays ready. Questions will also be compiled prior to the meeting. All board members are requested to be present.

Schuyler Business Park:

Mr. Piseck attended a meeting with Mohawk Valley Edge and VIP Structures on a National Grid grant for the proposed Schuyler Business Park site. A representative from EDGE presented conceptual plans for the site to developers in Dallas TX a couple of weeks ago. A developer the IDA has worked with previously is showing interest in the site.

Duofold:

Mr. Piseck will be attending a roundtable event to discuss marketing efforts on the Duofold site. He is receiving assistance in adjusting a factsheet created for the site as well as assistance with the presentation that he will make at the brownfield conference he is attending in Los Angeles in December. This assistance will be of no cost to the IDA. Mr. Piseck is working with the Village of Ilion on a zoning change. The IDA will also request a memorandum of understanding between the IDA and the village in order for the IDA to effectively apply for grants for the property. The next steps are asbestos abatement and the removal of a small structure on site. Mr. Piseck stated that the marketing video for the site has been updated. Board members were invited to look at the video. Dual high-speed fiber and municipal power are two of the most important things to this location. There are some hot spots on site, however they can be remediated or covered.

Frankfort 5S South Business Park:

There is still an issue with the cul-de-sac. New plans have been received and the Town of Frankfort has been helpful with questions and pushback. The Town of Frankfort is also trying to get the kitchen in their town hall certified for short line processing. Mr. Piseck would like to see them partner with the Mohawk Valley Small Business Development Center thINCubator in Utica.

Manheim Business Park:

The Village of Dolgeville has submitted a Water Infrastructure Improvement Act (WIIA) grant application. The town will request a memorandum of understanding from the IDA on what will be offered by the IDA. Mr. Piseck will actively begin to push the property next year.

Quackenbush:

Mr. Piseck requested board approval for the cleanup of the exterior of the Quackenbush building. **John Scarano moved, seconded by Ann Gaworecki to approve exterior cleanup of the Quackenbush building not to exceed \$450. Motion Carried.**

Computer Upgrades:

Mr. Piseck requested board approval for the upgrade of two computer monitors. **Ann Gaworecki moved, seconded by David Chlus to approve the upgrades to two computer monitors not to exceed \$600. Motion Carried.**

IDA Academy:

The IDA staff attended an IDA academy in Batavia. The session was an excellent opportunity to meet with staff members from IDAs across the state. There will be another IDA Academy early next year. The IDA will plan to attend.

Enchanted Forest Water Safari DBA Old Forge Properties:

The Enchanted Forest Water Safari project has not officially closed. The company has been provided with ST-60s to be able to move forward with the project under tax-exempt status. The IDA has not yet received the project fee from the company. Mr. Piseck stated the project is set to close within the next two weeks.

Eagle Bay:

A representative from Eagle Bay reached out to Mr. Piseck regarding a block of buildings that needs to be developed. Mr. Piseck stated that he would get more history on the site and reach out to GHD Consulting for their input.

Route 5S Property:

Mr. Piseck has a meeting Friday at 10 AM at the Village of Mohawk Village Hall to discuss cut-in access to the property with the Department of Transportation. He is working to obtain letters of support from local representatives. Board members were invited to attend the meeting as well.

Higby Gold:

The Adirondack Food & Fuel project is moving along and is expected to begin to serve customers the beginning of November. Mr. Piseck stated that they will open the gas pump area prior to opening the inside area. Adirondack Food & Fuel is currently in the process of hiring employees.

Executive Session: Michael Werenczak moved, seconded by Ann Gaworecki, to enter in to executive session to discuss current litigation with the Village of Herkimer. Motion carried. All board members, John Piseck, Stacey Holleran, Victoria Adams, Bernard Peplinski, and Assemblyman Smullen were invited to stay.

Assemblyman Smullen exited the meeting at 8:50 AM.

John Scarano moved, seconded by Cate Ricci to end executive session at 9:25 AM.

Mr. Piseck stated that the board meeting date for October will need to be changed due to conflicts. The proposed date of the next meeting will be October 31, 2019 at 8:00 AM.

Being no other business, **Cate Ricci moved, seconded by Michael Werenczak to adjourn at 9:30 AM.**

Respectfully Submitted,

A handwritten signature in cursive script that reads "Victoria Adams". The signature is written in black ink and is positioned above the printed name and title.

Victoria Adams
Administrative Assistant

Herkimer County Industrial Development Agency
2020 BUDGET -Approved 9/24/2019

	2020	2019
Income Section	Budgeted	Budgeted
Herkimer County Contributions (Contractual)	165,000.00	165,000.00
Herkimer County Contributions (Empire Zone)	35,000.00	35,000.00
IDA Project Admin/Annual Admin/Application Fees:	252,810.00	103,500.00
Lease Income - Shell Building - F5SNBP	173,250.00	150,600.00
RLF Fees (SC, IRP, GOSC)	2,100.00	4,200.00
Grant Admin Fees	33,280.00	2,000.00
Re-allocation SC,GOSC Funds for Manheim	17,284.40	60,500.00
Miscellaneous Income	250.00	250.00
Total Income	678,974.40	521,050.00

Expense Section	Budgeted	Budgeted
Payroll Expenses	186,011.00	179,930.00
Employee Benefits (FICA, Medicare, Medical Ins, HRA, Pension)	84,545.00	102,168.00
Retiree Benefits (Health/Dental Ins.)	42,000.00	38,940.12
Business Parks Expense	62,984.40	45,000.00
Legal Fees	40,000.00	65,000.00
Lease of Office Space (HARC)	12,600.00	12,600.00
Build-out of Office Space (HARC)	5,100.00	5,100.00
Audit	11,000.00	11,000.00
Insurances	8,500.00	8,500.00
Office Expense(Toshiba, supplies,postage)	4,500.00	4,100.00
Telecommunications/Computer	27,105.00	5,500.00
Miscellaneous Expense	7,000.00	5,000.00
Travel/Conferences	20,000.00	9,000.00
Dues & Subscriptions	3,000.00	2,000.00
Marketing	30,000.00	4,000.00
Total Expense	544,345.40	497,838.12

NET PROFIT/(LOSS)	134,629.00	23,211.88
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