



LOCAL VALUES. FORWARD VISION.

SENECA COUNTY  
INDUSTRIAL DEVELOPMENT AGENCY

MEETING MINUTES

Regular Meeting  
Thursday, October 1, 2009  
12:00 Noon  
Abigails Restaurant  
Waterloo, NY

Attendance:

Board Members Present: Thomas Kime, Chairman; Thomas Macinski; Kenneth Lee Patchen, Jr.; Robert Kernan; Robert Rosenkrans; Fred Gaffney, David Kaiser and Kenneth Riemer

Board Members Absent: None

Staff Attending: Robert Aronson, Executive Director; Patricia Jones, Deputy Director; Monica Novack, Office Manager; Kelly Kline, Receptionist/Office Assistant; Marybeth Franz, Harris Beach.

Others Attending: Suzanne Sinclair, County Manager and Dave Shaw, Finger Lakes Times

Call to Order:

Chairman Kime called the meeting to order at 12:02 p.m. A quorum of the Agency's members were present.

Approval of IDA Minutes / Regular Meeting of August 6, 2009:

The minutes of the Agency's annual meeting of August 6, 2009 had been sent to Board members prior to the meeting. Mr. Kime requested a correction be made to the August 6<sup>th</sup> minutes on page 2, under *Discussion of New Financial Statements Format*, adding the following, "...The Audit Committee still questions the auditors recommendations as to accounting for PILOT Increment Financing, and whether current accounting accurately reflects the Agency's balance sheet." After discussion a motion was made by Mr. Macinski to approve the August 6, 2009 minutes with changes. Seconded by Mr. Gaffney. Motion carried.

**Approval of July and August Financial Statements:**

The July and August 2009 Financial Statements had been mailed to Board members prior to the meeting. Mr. Kernan presented the financials statements and recommended that the board accept the financials, but to hold off on approval until the remaining accounting issues pertaining to PILOT Increment Financing are resolved. After discussion, a motion was made by Mr. Rosenkrans to accept the July and August Financial Statements but to hold off on final approval until the remaining accounting issues are resolved. Seconded by Mr. Kaiser. Motion carried.

**Approval of 2010 Budget for PARIS:**

Mr. Aronson advised the board that a meeting of the Audit Committee had taken place on September 24, 2009 and a motion had been passed to recommend acceptance by the full board of the budget subject to minor corrections and explanatory comments. Mr. Aronson then advised that board that the proposed 2010 budget, which had been mailed to Board members prior to the meeting, contains those changes. Mr. Aronson also advised Board Members that the Budget must be posted to PARIS by November 1, 2009. After discussion, a motion was made by Mr. Rosenkrans approving the 2010 proposed budget and for posting to PARIS. Seconded by Mr. Macinski. Messrs. Rosenkrans, Kime, Kaiser, Macinski, Patchen, Riemer, Kernan and Gaffney voted "yea". Motion carried

**Discussion of CFO Search:**

Mr. Aronson advised the board that during the Audit Committee Meeting on September 24, 2009, there was discussion of appointing a CFO. At the recommendation of the Audit Committee, a draft job description was created and mailed to board members prior to meeting. Mr. Aronson advised board members that this position would help manage Agency finances and implement internal controls over financial operations. Mr. Aronson reviewed the draft job description with the board noting that the position would be 20-25 hours per month, with an estimated annual cost of \$20,000 to \$25,000. After discussion, the Board recommended the draft be reviewed by attorneys, revised as necessary, and presented to the board for approval.

**Bid Award for Airfield Access Gate:**

Ms. Jones advised the board that Bids were being sought for Security Enhancements to the Seneca Army Depot's Airfield Access Gate. Ms. Jones then advised the board that only one bid was received and that it came in over the set fee which was not to exceed \$20,000. According to the IDA Procurement Policy, the next course of action is for the IDA to go out for public bid. Ms. Jones advised the board that once bids are received, staff will come back to the Board for approval.

**Discussion on Hillside Rent Increase:**

Mr. Aronson advised the board that the Hillside Children's Center pays \$60,000 a year to lease buildings and they have a 20 year lease with the option to buy. He noted there is a provision in the lease that allows the Agency to increase the lease amount approximately every five years. Various board members stated that Hillside is a good tenant and the organization has lost some funding during the current economic recession. After discussion, a motion was made by Mr. Rosenkrans to not exercise the right to increase the lease amount to Hillside Children's Center. Seconded by Mr. Kernan Messrs. Kime, Rosenkrans, Patchen, Kaiser, Kernan, Riemer, Macinski and Gaffney voted "yea". Motion carried.

**Approval to Seek Active Party Status in NYSEG Rate Case:**

Mr. Aronson reviewed the issue of lack of electric power at the former Seneca Army Depot. In a recent development, NYSEG had agreed to upgrade its service from Geneva to the Depot using NYSEG's own money and a \$1.5 million Restore NY Grant obtained by the Town of Romulus. However, in May, 2009 NYSEG sent a letter to Seneca BioEnergy stating they would no longer be able to continue with the upgrade as the PSC refusal to allow a rate increase is causing liquidity problems. On September 17, 2009, NYSEG once again filed for a rate increase, and Mr. Aronson is seeking approval from the board to apply for active party status in this rate case. Electric tariffs include an economic development program, which could be used enhance the depot electric infrastructure, and the IDA will have a voice in the process by getting involved as an interested party. Harris Beach has drafted a letter seeking interested party status and that the PSC is looking to begin discovery on October 7, 2009. After discussion, a motion was made by Mr. Kaiser to approve the IDA application for active party status in the NYSEG rate case. Seconded by Mr. Reimer. Messrs. Kime, Rosenkrans, Patchen, Kaiser, Kernan, Riemer, Macinski and Gaffney voted "yea". Motion carried.

**Other Business:**

Mr. Aronson updated the Board on the progress of Gharana Industries, LLC. The CDBG loan was approved on June 30<sup>th</sup> and machinery could not be ordered until after the CDBG approval. Currently the machinery is in route from India and is expected to arrive on October 12<sup>th</sup>. Meanwhile the principals are working with an engineer, and pursuant to the terms of the loan, they expect to begin construction of improvements on the building within 60 days from the closing of all the financing. Their goal is to be in production by January 1, 2010.

Mr. Aronson also advised the Board that GRE is taking a greater interest in Seneca County, and will be spending time visiting local companies in the hope of enhancing the County's integration with the regional economy.

**Adjournment:**

A motion to adjourn the meeting was made by Mr. Rosenkrans. Seconded by Mr. Macinski. Motion carried. The meeting adjourned at 1:03 p.m.

The next regular scheduled meeting will be held on **November 5, 2009 at 12:00 Noon** at **The Seneca County Building, Heroes Conference Room, 2<sup>nd</sup> Floor, Waterloo, NY**

Respectfully submitted,



Kenneth Lee Patchen, Jr.  
Secretary

pc: Suzanne Sinclair, Seneca County Manager  
Margaret Li, Clerk, Board of Supervisors  
Russell Gaenzle, Esq, Harris Beach  
Roberta Jordans, Harris Beach  
Shawn Griffin, Esq., Harris Beach  
Kevin Overton, Esq., Harris Beach