

**SENECA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

MEETING MINUTES

Thursday, June 5, 2008
12:00 Noon
Abigails Restaurant
Waterloo, New York

Attendance:

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

Board Members Absent: Thomas Macinski

Staff Attending: Patricia Jones, Interim Executive Director; Monica Novack, IDA Administrative Assistant; Greg Keefe, IDA Chief Financial Officer; Bill Bordeau, Economic Development & Planning; and Shawn Griffin, Harris Beach

Others Attending: James Mooney, Supervisor, Town of Waterloo; Kevin Swartley and Ed Primrose, Empire Green Biofuels; Dave Shaw, Finger Lakes Times; Mike Coia, Seneca BioEnergy; Mike Palumbo, Flaum Management; and Joan Teichner, Mary Ann Kowalski, Sandra Dranias, Bob Tarzell, Clark Culver, and Michael Davis

Call to Order:

Chairman Rosenkrans called the meeting to order at 12:07 p.m. A quorum of the Agency's members was present.

Approval of IDA Minutes / Meeting of May 1, 2008:

The minutes of the Agency's regular meeting of May 1, 2008 had been sent to Board members prior to the meeting. After discussion, a motion was made by David Kaiser to approve the May 1, 2008 minutes. Seconded by Thomas Kime. Messrs. Rosenkrans, Kime, Kaiser, Kernan, Riemer, Patchen, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Approval of April 2008 Financial Statements:

The April 2008 financial statements had been mailed to Board members prior to the meeting. After discussion, a motion was made by Robert Kernan to approve the April 2008 financial statements. Seconded by Thomas Kime. Messrs. Rosenkrans, Kime, Kaiser, Kernan, Riemer, Patchen, and Gaffney voted “yea”. Mr. Macinski was absent. Motion carried.

Report of Correspondence:

Pat Jones advised the Board that the IDA had received a letter from NYS DEC informing that a pair of nesting bald eagles has been identified in the Conservation Area at the Depot. Pat also noted that the Army has roped off the area so that access is denied.

Pat Jones advised the Board that the IDA had also received a letter from the Town of Romulus declaring their intent to be SEQR lead agent for the Seneca BioEnergy project.

Report from IDA Audit Committee/Approval of 2007 IDA Audit/Approval of Audit Management Letter:

Thomas Kime advised the Board that the Audit Committee had met on May 7th with our auditor, Tom Zuber and went over in detail all aspects of the audit. After discussion, a motion was made by Lee Patchen to accept the 2007 Audit as well as the Management Letter. Seconded by Robert Kernan. Messrs. Rosenkrans, Kime, Patchen, Kernan, Kaiser, Riemer, and Gaffney voted “yea”. Mr. Macinski was absent. Motion carried.

Approval of IDA Final Resolution No. 2008-12 – Goulds Pumps/ITT/Sales Tax Exemption:

Pat Jones advised the Board that Resolution No. 2008-12 provides Goulds Pumps / ITT with a sales tax exemption for equipment and installation. Pat Jones then presented Resolution No. 2008-12 as follows:

RESOLUTION OF THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXECUTION OF THE BILL OF SALE AND RELATED DOCUMENTS WITH RESPECT TO THE GOULDS PUMPS, INCORPORATED / ITT CORPORATION PROJECT (AS MORE FULLY DESCRIBED BELOW)

Pat then advised the Board that the Public hearing was held on May 28th and that Joan Teichner was the only attendee (other than press). Pat also noted that all actions have been completed, and with Board acceptance of the minutes of the Public Hearing, the final resolution can be acted upon. After discussion, a motion was made by Lee Patchen to approve the minutes of the public hearing and Final Resolution No. 2008-12 – Goulds Pumps/ITT Sales Tax Exemption. Seconded by Thomas Kime. Messrs. Rosenkrans, Kime, Patchen, Kernan, Kaiser, Riemer, and Gaffney voted “yea”. Mr. Macinski was absent. Motion carried.

Approval of IDA Final Resolution No. 2008-13 – Lowe’s Home Improvement Center, Inc. /Agent Agreement/Lease Agreement/Leaseback Agreement/PILOT/Mortgage Recording Tax/PIF:

Pat Jones advised the Board that the public hearing for the Lowe’s project was held last October 24, 2007. Thomas Kime and Robert Kernan then excused themselves from this discussion and left the meeting room due to their association with banks involved with the PIF transaction. Bill Bordeau briefed the Board on the PIF. Bill noted that the IDA had received the budget and commitment letter from Community Bank; the \$1.8 M debt is being split among five banks; the financing will be seven (7) years; businesses will be allowed to hook up to the line at their own expense; and residential units will be able to hook up after debt is paid in full. Pat Jones then presented Final Resolution No. 2008-13 as follows:

RESOLUTION OF THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGENT AGREEMENT, LEASE AGREEMENT, LEASEBACK AGREEMENT, PAYMENT-IN-LIEU-OF-TAX-AGREEMENT, MORTGAGE AND RELATED DOCUMENTS WITH RESPECT TO THE LOWE'S HOME CENTERS, INC. PROJECT

After discussion, a motion was made by Lee Patchen to approve Resolution No. 2008-13. Seconded by David Kaiser. Messrs. Rosenkrans, Patchen, Kaiser, Riemer, and Gaffney voted “yea”. Messrs. Kime and Kernan recused . Mr. Macinski was absent. Motion carried.

Approval of IDA Official Intent Resolution No. 2008-14 – Seneca Meadows, Inc./\$90,000.000 Industrial Development Solid Waste Disposal Revenue Bond:

Shawn Griffin advised the Board that this intent resolution is for the issuance of up to \$90 million in Industrial Development Solid Waste Disposal Revenue Bonds for the expansion of the existing solid waste disposal facility and the construction of new buildings and other improvements including landfill cell excavation; cell development/expansion; gas collection systems; access roads; drainage/slide control systems and related improvements to accommodate the Company’s expansion needs; and the acquisition of items of machinery, equipment, furniture and fixtures. This resolution also authorizes a public hearing to be held. Shawn then presented Resolution No. 2008-14 as follows:

RESOLUTION TAKING OFFICIAL ACTION TOWARDS THE ISSUANCE OF UP TO \$90,000,000 PRINCIPAL AMOUNT INDUSTRIAL DEVELOPMENT SOLID WASTE DISPOSAL REVENUE BONDS FOR THE BENEFIT OF SENECA MEADOWS, INC. FOR THE PURPOSE OF FINANCING A CERTAIN PROJECT (AS DESCRIBED BELOW) AND (2) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY WITH RESPECT TO THE PROJECT

After discussion, a motion was made by David Kaiser to approve Resolution No. 2008-14. Seconded by Thomas Kime. Messrs. Rosenkrans, Kime, Patchen, Kernan, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Approval for Lawn Mowing Service/Deer Run Industrial Park:

Pat Jones advised the Board that staff solicited bids (newspaper ad) for mowing at Deer Run and that four (4) bids were received, with information on each bid being furnished to Board members prior to the meeting. Pat stated that bids were received from Caretakers; Chuck Damick; Tru Lawn Care; and Andrew Flynn, with Mr. Flynn being the lowest bidder. Pat also noted that since Deer Run was in desperate need of mowing, she spoke with Chairman Rosenkrans and compared the bids and was authorized by the Chairman to employ Andrew Flynn for the mowing. Pat then noted that Mr. Flynn has furnished his Certificate of Insurance and has partially mowed at the Park. After discussion, a motion was made by Robert Kernan to award the Deer Run Mowing contract to Andrew Flynn for 2008 with an option for renewal for 2009. Seconded by Lee Patchen. Messrs. Rosenkrans, Kime, Patchen, Kernan, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Approval of \$5,000 Payment to Greater Rochester Enterprises (GRE) for Marketing for 2008:

Pat Jones advised the Board that in 2005, the IDA Board approved a five (5) year commitment to GRE at \$5,000 per year for marketing assistance. Pat noted that GRE continues to assist the IDA in economic development marketing efforts; most recently sponsoring a Site Selector visit to the Depot to assist us in planning for future growth. Thomas Kime requested a detailed report of how the money is being used. After discussion, a motion was made by Thomas Kime to approve the \$5,000 to GRE for marketing. Seconded by Lee Patchen. Messrs. Rosenkrans, Kime, Patchen, Kernan, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Approval of Agreement between Seneca County IDA and Seneca County for Office Space in the Seneca County Office Building:

Pat Jones advised the Board that at a previous IDA meeting, the Board recommended a 20 year lease between the IDA and Seneca County for office space; however, per the County Attorney, the County is not able to commit to a 20 year lease; rather they can commit to a seven (7) year lease with an additional term of seven (7) years. Pat then advised that this agreement will be considered by the Board of Supervisors at their June 10th meeting and once both parties agree to the agreement, staff can go out to bid for the renovations of the proposed office suite. After discussion, a motion was made by Thomas Kime to authorize the Interim Executive Director to execute the License Agreement. Seconded by Robert Kernan. Messrs. Rosenkrans, Kime, Patchen, Kernan, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Approval of Resolution for Allowance for Unused Sick Leave under New York State Retirement System (NYS Retirement 41J):

Pat Jones advised the Board that when the IDA signed up for the New York State Retirement System, the option of allowing employees to use accumulated sick leave to provide for additional service credit toward retirement was not included in the resolution approving employee participation in the Retirement System. Pat also noted that this option is only available for employees who are not eligible to receive a cash payment for unused sick leave when they resign or retire from an IDA position (as noted in the IDA Administrative Guidelines). Pat then noted that the IDA had been advised by the State that the cost for providing this benefit for the three IDA employees is \$204 per year. Pat also pointed out that this benefit is an incentive for employees to conserve as much sick leave as possible. After discussion, a motion was made by David Kaiser approving the resolution for the allowance for unused sick leave under New York State Retirement System. Seconded by Lee Patchen. Messrs. Rosenkrans, Kime, Patchen, Kernan, Kaiser, Riemer, and Gaffney voted “yea”. Mr. Macinski was absent. Motion carried.

Appointment of SEQOR Lead Agency for Seneca BioEnergy Project:

Pat Jones advised the Board that at the May IDA meeting, the Board accepted the initial resolution for the Seneca BioEnergy project and authorized staff to begin the SEQOR process by initiating the coordinated review process. Pat then advised that staff sent out the coordinated review letters on May 5th and requested responses by close of business on June 4th. Pat then noted that a response was received from the Town of Romulus Planning Board requesting status of Lead Agency. Pat also noted that a Public Information Meeting was held the evening of May 29th in Romulus by Seneca BioEnergy; thirty citizens were present at the meeting and very favorable comments were received. After discussion, a motion was made by Kenneth Riemer to appoint the Town of Romulus Planning Board as Lead Agency for the SEQOR Process for the Seneca BioEnergy Project. Seconded by Robert Kernan. Messrs. Rosenkrans, Kime, Patchen, Kernan, Riemer, and Gaffney voted “yea”. Mr. Kaiser abstained due to being the Supervisor for the Town of Romulus. Mr. Macinski was absent. Motion carried.

Approval of Execution of Airfield Deed and Environmental Easement from Army to IDA:

Pat Jones advised the Board that Legal Counsel has reviewed the draft Deed and Environmental Easement from the US Army to the IDA for the Airfield property (500 acres). Pat also noted that according to the 2003 Memorandum of Agreement between the Army and the IDA, the IDA is required to take property from the Army when environmental clean-up has been completed. After discussion, a motion was made by David Kaiser to accept the Airfield Deed and Environmental Easement for the Airfield property and authorize the Interim Executive Director to sign documents upon final review of legal counsel. Seconded by Robert Kernan. Messrs. Rosenkrans, Kime, Patchen, Kernan, Kaiser, Riemer, and Gaffney voted “yea”. Mr. Macinski was absent. Motion carried.

Approval of Execution of PID/Warehouse Deed and Environment Easement from IDA to Seneca Depot LLC; Seneca County; Seneca County Water District #1; and Aspen:

Pat Jones advised the Board that the Army has delivered the Deed and Environmental Easement to the IDA for the Depot PID/Warehouse Area. After discussion, a motion was made by Robert

Kernan for approval for Legal Counsel to execute deeds and environmental easements for this 1000 acre property to Seneca Depot, LLC, Seneca County, Seneca Water District #1 and Aspen Square Management Company and for the Interim Executive Director to sign documents. Seconded by Thomas Kime. Messrs. Rosenkrans, Kime, Patchen, Kernan, Riemer, and Gaffney voted "yea". Mr. Kaiser abstained (association with Water District #1). Mr. Macinski was absent. Motion carried.

Approval to Appoint Thomas Kime to Seneca County EDC Board:

Pat Jones advised the Board that Shawn Griffin has resigned as an EDC Board member. Pat then stated that Chairman Rosenkrans is recommending that Tom Kim replace Shawn as an EDC Board member, effective immediately. After discussion, a motion was made by Robert Kernan to approve the appointment of Thomas Kime to the Seneca County EDC Board. Seconded by Fred Gaffney. Messrs. Rosenkrans, Patchen, Kernan, Kaiser, Riemer, and Gaffney voted "yea". Mr. Kime abstained. Mr. Macinski was absent. Motion carried.

Waterloo Premium Outlets:

Shawn Griffin advised the Board that Waterloo Premium Outlets is requesting IDA Financial Assistance in the form of a Mortgage Recording Tax Exemption in connection with the refinancing of indebtedness incurred in connection with the original construction of the facility. Shawn stated that the Application had just been received that morning and he would furnish a copy to IDA staff. Shawn also stated that two public hearings should be scheduled; one with a ten day notice and another with a 30 day notice; however, only one may be required to be held if a pending state law which would change the required public hearing notification from 10 days to 30 days is not passed. Shawn then requested that a special IDA meeting be scheduled after the first Public Hearing as the Outlet Center would like to close on this transaction by early July. After discussion, a motion was made by Lee Patchen to approve the scheduling of two (2) public hearings for the Waterloo Premium Outlets project. Seconded by Thomas Kime. Messrs. Rosenkrans, Kime, Patchen, Kernan, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Consideration of Executive Session:

Chairman Rosenkrans requested a motion to enter into Executive Session for the purposes of a real estate matter, the sale or lease of real property where publicity would substantially affect the value thereof. A motion was made by David Kaiser at 12:50 p.m. to enter into Executive Session. Seconded by Robert Kernan. Motion carried. A motion was made by Lee Patchen at 1:15 p.m. to come out of Executive Session. Seconded by Thomas Kime. Motion carried.

Other Business:

A motion was made by Robert Kernan approving an Extension to December 31, 2008 to the Letter of Intent for Empire Biofuels. Seconded by Fred Gaffney. Messrs. Rosenkrans, Kime, Patchen, Kernan, Kaiser, Riemer, and Gaffney voted "yea". Mr. Macinski was absent. Motion carried.

Adjournment:

A motion to adjourn the meeting was made by Lee Patchen and seconded by Thomas Kime. Motion carried. The meeting adjourned at 1:17 p.m.

The next regular scheduled meeting will be held on **July 10, 2008 at 12:00 Noon** at Deerhead Inn, Lower Lake Road, Seneca Falls.

Respectfully submitted,


Kenneth Lee Patchen, Jr.
Secretary

pc: Suzanne Sinclair, Seneca County Manager
Margaret Li, Clerk, Board of Supervisors
Russell Gaenzle, Esq, Harris Beach
Justin Miller, Esq, Harris Beach
Shawn Griffin, Esq, Harris Beach
Gregory Keefe, CFO