

COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY

March 26, 2015

Meeting Minutes

CALL TO ORDER

Treasurer Jeffrey Lord called to order the meeting of COIDA at 8:29 a.m. at the COIDA offices located at 189 Main Street, Suite 500, Oneonta, NY. Voting members present were Craig Gelbsman, Hugh Henderson, Jeffrey Lord, Len Marsh, Devin Morgan, and James Salisbury.

Also in attendance were staff members Sandy Mathes, Elizabeth Horvath, and Dawn Rivers; and agency counsel A. Joseph Scott and Kurt Schulte.

MEETING MINUTES

Minutes for the January 20, 2015 meeting of COIDA were presented to the Board. After brief discussion, Mr. Marsh moved to accept the minutes. Mr. Salisbury seconded and the motion passed unanimously by voice vote.

TREASURER'S REPORT

Mr. Lord presented the January 2015 financial reports to the Board, noting that there was nothing remarkable in them and that they were fairly straightforward. Ms. Horvath pointed out that these were draft financials and that there remained some issues with generating the appropriate reports in QuickBooks. She is working these through with Laura Miller of Woods & Dubinsky; this is an ongoing internal housekeeping issue rather than a question of spending. Mr. Marsh moved to accept the draft Treasurer's Report. Mr. Salisbury seconded and the motion was passed unanimously by voice vote.

Draft 2014 Financial Audit

Mr. Lord presented the draft 2014 Certified Financial Audit prepared by Mostert, Manzanero & Scott, LLP. Mr. Lord noted that the auditors recommended that the IDA management track with greater precision how its financial activities help the IDA to accomplish its mission. He also noted that Mostert, Manzanero & Scott found no deficiencies in the IDA's internal controls, which is a sizable improvement over the fy2013 Audit. After some further discussion, Mr. Salisbury moved to approve the draft 2014 Certified Financial Audit. Mr. Henderson seconded and the motion was approved by unanimous voice vote. Mr. Scott praised IDA staff for making this deadline, which it has historically missed.

BILLS TO BE PAID and PAYROLL REPORT

Mr. Lord presented the Bills to be Paid report to the Board, noting that the report contained nothing unusual and nothing requiring explanation. Mr. Marsh moved to pay the IDA bills. Mr. Henderson seconded, and the motion was approved unanimously by voice vote.

Mr. Lord was required by other business to leave the meeting at this point; the chairmanship of the meeting was then passed to Assistant Secretary Hugh Henderson.

Ms. Horvath presented the Payroll Report, which was also not unusual in any way. There was no discussion and no separate vote to approve the Payroll Report.

COMMITTEE REPORTS

Project Committee

Mr. Mathes reported on matters that were covered at the Project Committee that took place on March 18, 2015.

Richfield Business Park – Mr. Mathes advised the Board that this project continues to move forward. There will be a presentation to the public and to the Village, Town and Planning Boards on April 6th by Elan Planning and Delaware Engineering, as well as advance briefs for the Boards (scheduled for 4/2) and for identified community leaders (earlier on 4/6). Mr. Mathes anticipates requesting a vote on all the IDA has requested, including designation as lead agency and agreement on the part of the Boards to adjust zoning to accommodate the business park, in May. Exposure for the IDA will only be \$50,000, with \$150,000 coming from the Mohawk Valley Momentum Fund to support the planning activities.

Pony Farm – Mr. Mathes is currently involved in one-on-one meetings with members of the Planning Board to find out how far he would need to downsize the project in order to win Board approval. Initial meetings indicate that a cap of 150 new employees would meet with success before at least some board members. Mr. Mathes plans to revamp the site plan and the SEQR documents and place the matter before the Planning Board for a vote at their second April meeting. Mr. Mathes also reported that he already has a potential project lined up for Pony Farm with perhaps 20 new jobs for the area.

Siemens – Mr. Mathes told the board that there was some movement on renting out the Siemens' building. A company that needs a trucking fleet maintenance facility is interested in the site and he believes that is a viable option. There has been no further word from the dry cleaning concern.

Hartwick/StartupNY – Hartwick College is finalizing the paperwork needed to begin the assessment by Delaware Engineering of the StartupNY site.

Broadband – Negotiations had been proceeding in a very positive way but a family emergency has struck the principals of Middleburg Telephone, which Mr. Mathes expects to stall ongoing negotiations for an unspecified length of time.

Cooperstown – Mr. Mathes reported that he is working with Elan Planning to finalize the press materials to release Phase I results. Phase II is scheduled to begin on April 21st.

Regional Development Council – Mr. Mathes said the supplemental awards (Momentum Fund) were close to being finalized and Otsego County was in pretty good shape. The big decision, at this time, will pertain to the Market Street Agricultural Center project. Currently, there are two potential funding packages that might be available to the IDA. One of them would require that we spend \$250,000 and Economic Development Council would provide matching funds, for site acquisition and clean-up. Alternatively, Mr. Mathes suggested, we could undertake a planning study instead, and receive \$150,000 from ESD at a 90/10 match. Mr. Mathes explained that it might be better to “take baby steps” forward on this project and move forward with a planning study. He informed the members that he would email them with these options in further detail and asked that they provide input about how best to proceed.

Audit and Finance Committee

Ms. Horvath noted that the Audit and Finance Committee meeting earlier in March was consumed with the Draft 2014 Financial Audit, which had already been covered earlier in the meeting. There was no further Audit and Finance Committee business to report.

RESOLUTIONS

Measurement Report

Ms. Horvath reviewed the fy2014 Measurement Report with the Board. After considerable discussion concerning calculation of jobs retained, Ms. Horvath asked that the Board approve the Measurement Report with the provision that she and Mr. Mathes will finalize the job retention number, focusing on being conservative. Mr. Henderson so moved. Mr. Salisbury seconded and the motion was approved by unanimous voice vote.

Grant Administrator Proposals

Ms. Horvath reminded the Board that the IDA has published a Request for Proposal (RFP) for prospective grant administrators to bid on the various grants for which the IDA is sub recipient. She requested that the Board authorize her and Mr. Mathes to review the proposals and to award the contracts. There was considerable discussion among the members about the details of the RFP process and oversight requirements. The Board decided to table the question of authorizing the contracting of grant administrators, and to convene a special meeting in mid-April, after all proposals have been received and staff has had a chance to review.

New York State Deferred Compensation Plan

Ms. Horvath requested that the Board authorize the IDA's employees (consisting at the moment of Ms. Horvath and Ms. Rivers) to opt in to the New York State Deferred Compensation Plan at no cost or obligation to the IDA. After a brief discussion, Mr. Marsh so moved. Mr. Salisbury seconded and the motion was approved unanimously by voice vote.

CEO's REPORT

Mr. Mathes told the Board that he had agreed to appear at an event hosted by Citizen Voices on April 1st, where he would discuss "The Good, The Bad and The Ugly of Economic Development." He invited any members of the Board who are interested to also attend the event.

Richfield Wind Project – Mr. Mathes informed the board that Mr. Doyle, principal of the concern that wishes to build wind turbines in Richfield, wants to re-submit his application to the IDA for PILOT benefits, and Mr. Mathes suggested that his application fee be waived (the company has already submitted one application and paid an application fee). The board will consider anew any application that Mr. Doyle's company submits. Mr. Mathes cautioned that the IDA will want to be sensitive to the will of the community, particularly in light of his plan to deeply involve the community in the Richfield Springs Business Park project.

NYSEDC Lobbying Effort – Mr. Mathes told the Board that the NYSEDC executive director Brian McMahon has engaged a lobbying firm to assist in his efforts to mount opposition against some of the proposals in Governor Cuomo's budget that are extremely harmful to IDAs. The NYSEDC has asked member IDAs to contribute funds towards this effort, \$1,000 for an IDA of our size. Mr. Mathes therefore requested Board approval to make that contribution. Mr. Marsh so moved, Mr. Salisbury seconded and the motion was approved by unanimous voice vote.

UNFINISHED BUSINESS

Hartwick Project

Bond Counsel updated the members of the IDA on the status of the financing for Hartwick College. In connection with the update, Bond Counsel noted that the Working Group had conducted due diligence with respect to the financing. As part of the due diligence we needed confirmation from the members of the IDA that the IDA had requested the CRC to undertake the financing for Hartwick College. After some discussion all the members present at the meeting confirmed that the IDA had requested the CRC to undertake the financing for Hartwick College. Bond Counsel concluded his report by noting that the Working Group expected the financing to close in April.

NEW BUSINESS

Safe Deposit Box

Ms. Horvath reported that the IDA safe deposit box is extremely full, even after she and Mr. Schulte had sorted through its contents and discarded any items that were no longer needed. The current box costs \$80 per year, while the next larger size costs \$120 per year. Ms. Horvath recommended that the Board authorize going to the next larger size safe deposit box, which will hold everything that needs to go into it with room to spare. Mr. Marsh moved to authorize the upgrade. Mr. Gelbsman seconded and the motion carried by unanimous voice vote.

NYSEDC Annual Meeting

The New York State Economic Development Council will be holding its annual meeting at the Otesaga Hotel in Cooperstown from May 20th through the 22nd. Ms. Horvath recommended that any members who will be available at that time should attend. Mr. Mathes heartily endorsed the recommendation.

New Brand and Materials

Ms. Horvath told the Board that the sample stationery and business cards that she expected to have ready for their approval had not yet arrived, so no vote on spending would be possible. Mr. Mathes advised the board that Jim Kevlin of Hometown Oneonta was planning a special “progress” issue of the paper. The new IDA brand, Otsego Now, would be announced in that special issue and a press announcement would be distributed to the Daily Star on the day before the special issue of Hometown Oneonta is published.

ADJOURNMENT

The next meeting of the COIDA Board will take place on April 23, 2015. There being no further business, at 9:39 a.m., the meeting was adjourned.