

MADISON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES OF THE IDA BOARD MEETING

June 14, 2007

A meeting of the Madison County Industrial Development Agency was convened in public session in the IDA Conference Room, Canastota, New York at 3:00 p.m. on Thursday, June 14, 2007.

Attendance was recorded as follows:

Board Members Present: Richard Bargabos (Chairman), James Rafte (Vice Chairman), John Becker (Treasurer), Walter Jaquay (Assistant Treasurer) and Elizabeth Moran (Secretary)

Board Members Absent: David Rogers

Also Present: John Reinhardt (Executive Director), Chris Gates [Assistant Director], George Cregg [General Counsel], Jack Miller [Director, Madison County Planning Department], and LeAnn Root (Oneida Dispatch Newspaper).

Chairman Bargabos called the meeting to order at 3:05 p.m.

Approval of Minutes

A motion was made by W. Jaquay to approve the minutes of the May 17, 2007 meeting. Second by J. Rafte. The motion was unanimously approved.

Correspondence

J. Reinhardt read a letter from M. Rosanio, Regional Loan Officer of COMCO Development Corp. requesting nominations for a representative from Madison County for a one year term of office. J. Reinhardt is the current representative to COMCO and serves as Vice Chairman. A motion was made by W. Jaquay to nominate J. Reinhardt. Second by J. Rafte. The motion was unanimously approved.

J. Reinhardt read a letter from the CNY Regional Planning Board announcing a meeting to be held on June 20th. Kipp Hicks will attend.

J. Reinhardt read a letter from Senator Valesky stating his support for renewal of the Civic Facilities Bond legislation.

Chairman Bargabos read a letter from Senator Valesky following up on a letter received by Senator Valesky from Mark Koester regarding the IDA purchase of the Bailey & Haskell building. The Chairman instructed J. Reinhardt to respond to Senator Valesky and include a copy of J. Reinhardt's letter to Mr. Koester citing four [4] properties currently available as an alternative to Mr.

Koester's present facility in the Canastota Incubator building vs. Mr. Koester's assertion that there are "... no existing buildings available to meet his needs in Madison County..."

Old Business

J. Reinhardt gave an update on the closing on the purchase of the Bailey & Haskell building scheduled for June 29th. The on-site appraisal was completed on June 14th with the completed report to be returned to Key Bank, N.A. on June 21st. Bailey & Haskell Agency is preparing a quotation to provide fire and extended insurance coverage on the building.

J. Reinhardt reported that Airtricity Co., developers of the wind farm in the Towns of Smithfield, Stockbridge, Eaton, and Madison have withdrawn their request for IDA assistance.

There was no further update on the New York, Susquehanna, and Western Railroad matter.

J. Reinhardt reported that the IDA telephone system is now fully operational with the installation of a second telephone line.

J. Reinhardt reported receipt of copies Agreements between Empire State Development and four [4] IDA's regarding a relationship directly between Empire State Development and the respective IDA's. Copies to be made available to G. Cregg and Madison County Attorney J. Campanie.

New Business

Regarding the leasing of space in the Bailey & Haskell building, G. Cregg to prepare a lease between the IDA and SANNY, Inc. for one year at \$1,100.00 per month with the option to renew at the end of the one year term. After discussion regarding potential leasing of the second floor space, it was the consensus that the matter be placed on "hold" pending the IDA's move into the facility.

J. Becker reviewed a proposal by Constellation Energy for a willow-to-energy project in the Town of Sullivan. SUNY-ESF is seeking \$30,000 in funding to complete a study on the project. Possibly the funding could be shared equally between the IDA and Madison County. There will be a presentation to the IDA Board at the July 19th meeting.

G. Cregg prepared a Resolution authorizing the Chairman to sign the necessary documents in connection with the financing and purchase of the Bailey & Haskell building. A motion was made by J. Rafte to authorize the Chairman to sign the documents. Second by J. Becker. Motion unanimously approved.

A Resolution was offered to establish the salary of Kipp Hicks at \$72,000 per year, effective June 20, 2007. A motion was made by J. Becker and seconded by W. Jaquay. The motion was unanimously approved.

Directors Report

J. Reinhardt reviewed the status of the Oneida Healthcare Project which is anticipated to close in September, 2007, subject to the extension of the Civic Facilities Bond legislation and the receipt of a Certificate of Need from the NYS Health Department by Oneida Healthcare Center.

J. Reinhardt reviewed the status of the Morrisville Project which is anticipated to get under way in April, 2008.

G. Cregg reviewed the alternatives for tax-exempt and taxable status of the financing for the IDA acquisition of the Bailey & Haskell building. J. Reinhardt to contact Oneida Healthcare Center and Morrisville College to determine if both projects can be closed in 2007, thus permitting tax exempt status for the IDA financing in 2008, subject to extension of the Civic Facilities Bond legislation.

The C,C, LF Senior Housing Project closing is anticipated in July or August, 2007. The Civic Facilities Bond legislation is not an issue with this project.

J. Reinhardt reviewed several other potential projects, including a proposed \$1.5 million project for Marquardt Switches, Inc. An IDA Application has been given to Marquardt Switches, Inc.

A Bill [A-08703] has been introduced in the State Assembly to address the Civic Facilities Bond legislation. No companion Bill has been introduced in the State Senate.

The CNY Business Journal has requested information from the IDA in connection with their publication of a Lending Directory. J. Reinhardt completed and returned the information requested.

Other Business

Next meeting date: Thursday, July 19th at 3:00 to be held in the Madison County Economic Development Center. Future meetings to be held monthly on the third Thursday until further notice.

A motion was made by L. Moran to adjourn the meeting at 5:15 p.m.. Second by J. Rafta. The motion was unanimously approved.

Respectfully submitted,

Elizabeth Moran,
Secretary