

MADISON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES OF THE IDA BOARD MEETING

May 17, 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, May 17, 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), Alexa Dole (2nd Assistant Secretary), Martha Conway (Eagle Newspapers), Bill Danahy (member of the public) and Phil Morin (member of the public)

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 3, 2007 meeting. Second by J. Becker. The motion was unanimously approved.

Old Business

A report and comparison spreadsheet of the building financing proposals was reviewed by the Board. J. Reinhardt highlighted items in the report that were the most favorable or similar to other proposals. J. Reinhardt also suggested that the IDA hold a depository account at the financial institution that is chosen for financing. No board members reported any lobbying done by any of the banks. J. Reinhardt recommended that the Board choose the financing option proposed by Key Bank. A motion was made by J. Becker to approve Key Bank to finance the building purchase. Second by W. Jaquay. The motion was unanimously approved. J. Reinhart will contact Key Bank to confirm. He will also send thank you letters to the other banks.

It was also noted that the interest rate on the mortgage proposed by Key Bank is less than the IDA is earning on certificates of deposits. J. Reinhardt agreed to present the current certificate of deposit rates at the next meeting.

Airtricity Proposal – An initial proposal presented by Airtricity regarding relief from the state portion of the mortgage recording tax for an upfront payment was discussed at the last meeting. The proposal also included arrangements for years 16-20. After the last meeting, J. Reinhardt advised Airtricity that the IDA was not interested in looking at years 16 - 20. Airtricity responded with another

proposal that included a \$100,000 payment to Madison County with another option of \$150,000 if it included Oneida County. The IDA Board advised J. Reinhardt to counter propose \$150,000 (with or without Oneida County) and settle on \$125,000 if possible. J. Reinhardt will first ask Joe Scott from Hodgson Russ to follow up with Oneida County on the pilot program.

J. Reinhardt has reviewed the copy of the agreement between NYRI and the railroad. G. Cregg will also review and report back at the next meeting. Phil Morin asked to address the Board on the issue of the NYRI sub-lease of the rail way right of way. Mr. Morin asked the IDA to consider energy issues in terms of a global energy issue in Madison County. Mr. Morin also explained that every megawatt of energy produced in Madison County contributes to congestion. This region has been designated as a natural interest electrician corridor.

Building Update – The Board previously considered a request from a Century 21 realtor and Mark Koester to walk away from the purchase of the building. The Board had reviewed this request and it was denied. R. Bargabos stated that there are currently two issues at hand – 1). The IDA put in a purchase offer on the building and it was accepted. The IDA was not bidding against anyone since there was no other apparent interest and 2). What can the IDA do to help Mr. Koester meet space requirements? The IDA is willing to work with Mr. Koester to accommodate him in Madison County. J. Reinhardt had followed up with Mr. Koester on 5/4/07 after the last IDA meeting. They subsequently had a conversation in J. Reinhardt’s office regarding the building. J. Reinhardt then followed up with J. O’Connell from Koester and Associates regarding the location of other buildings in Madison County to meet their needs. A letter was sent to Mr. O’Connell from J. Reinhardt outlining the options in Madison County. J. Rafte also stated that he was asked by R. DiVeronica to talk to the Board regarding the building.

New Business

- J. Reinhardt received a letter from Jerry Dawes at Ferris Industries stating his appreciation of the IDA’s work with Ferris. The letter also included a newspaper article of another manufacturing plant closing in Wisconsin similar Ferris.
- J. Reinhardt sent out letters to Senator Valesky and Assemblyman Magee regarding the sunset of the Civic Facilities Legislation. In his letter, J. Reinhardt highlighted the value of this legislation to Madison County. J. Reinhardt has been in contact with staff from Senator Valesky’s office on this issue.

Directors Report

- A third telephone line has been installed by Verizon and is only working part of the time. Verizon is still working on the problem.
- J. Reinhardt has purchased a label maker that also prints postage. He anticipates that this may help with mailings.
- J. Reinhardt has had a conversation with K. Hicks. He will attend the board meeting on 6/14/07. His official start date is 6/20/07.

- J. Reinhardt met with two companies that want to expand in Madison County. He will continue to keep the Board updated on these projects.
- The final public hearing on the Morrisville project was completed. There were no public appearances.
- The ZAB will be meeting on 5/18/07 at 8:00 a.m. The proposed arrangement between the IDA and Madison County will be discussed.
- J. Reinhardt talked to J. Campanie regarding any legal issues surrounding consolidation of economic development agencies in Madison County. J Campanie was also given the names of other County Attorney's with similar arrangements. He is reviewing the issue and will get back to the IDA with more information.

Other Business

A job announcement for the Agriculture and Economic Development Director position was posted on 5/9/07. The deadline for resumes is 6/4/07. Bill Danahy addressed the Board with his concerns on this issue. R. Bargabos explained that the Agriculture & Economic Development Committee will do interviews. There will be no operational oversight of the position by Cornell Co-Operative Extension.

Next meeting date: Thursday, June 14 at 3:00 unless a meeting is called to order on 5/31/07 (if necessary).

A motion was made by J. Becker to adjourn the meeting at 4:30. Second by E. Moran. The motion was unanimously approved.

Respectfully submitted,
Alexa M. Dole
2nd Assistant Secretary