

COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY

August 25, 2016

Meeting Minutes

CALL TO ORDER

Chair Devin Morgan called to order the monthly meeting of COIDA at 8:07 a.m. at the COIDA offices located at 189 Main Street, Suite 500, Oneonta, NY. Voting members present were Devin Morgan, Craig Gelbsman, Hugh Henderson, Jeff Lord, Rick Hulse, and Jim Jordan.

Also in attendance were staff members Sandy Mathes, Elizabeth Horvath and Joe Hughes; agency counsel A. Joseph Scott and Kurt Schulte; and guest Patrick J. Doyle of Doyle Consulting.

Chairman's Remarks

Mr. Morgan addressed the topic of scheduling the next COIDA and OCCRC Governance Committee meeting. After a brief discussion the Board decided to return to meeting on the first Thursday of each month at 22 Main Street, Cooperstown, NY. The next Governance Committee meeting will be held on Thursday, September 1st at 8:30 a.m. in Cooperstown. Mr. Morgan also informed the Board that the performance reviews of CEO Sandy Mathes and COO Elizabeth Horvath are nearing completion, as is the Otsego Now business plan.

MEETING MINUTES

The Chair presented the Minutes from the July 28, 2016 meeting to the Board. Mr. Hulse moved to approve the minutes. Mr. Jordan seconded and the motion passed by unanimous voice vote.

TREASURER'S REPORT

Mr. Lord presented the financial reports. There was nothing remarkable in the financial reports. Mr. Lord noted on the balance sheet that the accounts receivable line is almost entirely composed of Center-related ESD expenditures incurred in 2015 and expected for grant reimbursement in 2016. Mr. Morgan moved to approve the financials. Mr. Lord seconded and the motion passed by unanimous voice vote.

BILLS TO BE PAID

Ms. Horvath then presented the Bills to be Paid. There was nothing unusual among the paid bills or bills to be paid. Mr. Henderson moved to approve the Bills to be Paid. Mr. Hulse seconded and the motion passed by unanimous voice vote.

COMMITTEE REPORTS

Project Committee

The Project Committee met on August 18, 2016. Mr. Jordan reported on the following matters discussed at the Project Committee meeting:

- NYS Regional Consolidated Funding Application Process
 - Mr. Jordan and Mr. Mathes both reminded the Board that the deadline for scoring of the CFAs is September 26th. Mr. Mathes informed the Board of a recent meeting with the MVREDC economic developers in which the six counties discussed their priority projects for ESD capital and ESD feasibility studies.
- Downtown Revitalization Initiative Update
 - Mr. Jordan and Mr. Mathes informed the Board that Mayor Herzig has submitted his recommendations to the Governor's office for the Steering Committee. Mr. Mathes anticipates that Ms. Horvath and Mr. Lord will have seats on the committee. Once the committee is assembled, work on the DRI plan will begin.
- Energy
 - Mr. Mathes updated the Board concerning his multi-county MOU involving multiple concerns about NYSEG's and RGE's economic development programs, energy supply, infrastructure, etc. Mr. Mathes is in the process of obtaining commitments from counties and EDOs and will provide the MOU to the PSC when completed.
- Social Media
 - Mr. Mathes indicated that Paperkite Creative, moving forward, will be attending our monthly Project Committee meetings. He also informed the Board of the success of our social media plan, particularly the LinkedIn campaign geared toward site selectors.
- Solar Initiative
 - One strong developer, SoCore Energy, has replied to the Richfield Springs and Oneonta Business Park Solar RFP. The company is doing due diligence, and Mr. Mathes expects a response within 60 days, which he will then relay to the Board. Mr. Mathes also informed the Board of his desire to terminate the IDA's agreement with Solomon Energy, which he also plans to discuss with the Board at a later date.
- Siemens Building
 - Mr. Mathes was asked to give an update on potential tenants for the Siemens building. Mr. Mathes is awaiting word from a prospective tenant and hopes to received positive news within the next several weeks.
- Oneonta Municipal Airport

- Mr. Mathes informed the Board that, once ESD funding has been sorted out, he will issue an RFP for the economic development study of the Oneonta Airport.

Mr. Hulse moved to approve the Project Committee minutes. Mr. Lord seconded and the motion passed by unanimous voice vote.

Audit and Finance Committee

The Audit and Finance Committee met on August 11, 2016. Mr. Lord reported on the following matters discussed at the Audit and Finance Committee meeting:

- Enviro Energy
 - Mr. Lord informed the Board of the progress of Enviro Energy's settlement. The Committee anticipates Enviro Energy selling their equipment at which point the proceeds will be split evenly between COIDA, Delaware IDA and OCDC. Mr. Lord also indicated that the IDA will continue to hold a mortgage on the Millers' property.
- PILOT Employment Numbers
 - Ms. Horvath updated the Board of a telephone appointment she had with Dan Homik of Inntel regarding the Elizabeth Hotel job numbers. In short, due to a myriad of factors, including economic downturn, a flood of new rooms in the market, and the closure of the Soccer Hall of Fame, the Clarion's job numbers have been disappointing. The Audit committee recommended reporting such to the board, and continuing to monitor the situation going forward. She also notified the Board that she has received no response from Focus Ventures regarding multiple inquiries about their current job numbers, and multiple requests for their certificate of insurance on the Manor building. Mr. Scott indicated that he recently sent the same request to Focus Ventures on his letterhead, and he and Ms. Horvath will monitor the situation.
- Dave Rees Marine
 - Ms. Horvath gave a brief update on conversations had with Dave Rees concerning his loan and the potential sale of his property.
- CompDirect USA
 - Mr. Jordan asked for an update on the status of CompDirect USA. Ms. Horvath informed the Board that possible next steps will be addressed at the next Audit Committee meeting.

Mr. Hulse moved to approve the Audit and Finance Committee minutes. Mr. Jordan seconded and the motion passed by unanimous voice vote.

Governance Committee

The Governance Committee met on July 14, 2016. Mr. Hulse reported that the Otsego Now Business Plan, CEO and COO reviews will be discussed during the next Governance Committee meeting to be held on September 1st.

CEO's REPORT

Mr. Mathes updated the Board on the following matters:

- NYSEDC Summer Seminar
- TIGER Program
- Fast Lane Grant Program
- Workforce Sub Committee established at the NYS EDC
- Statebook
- Workforce Event
 - Mr. Mathes along with Mr. Doyle and Senator Seward are looking to host a Workforce event in mid-November that will focus on current regional problems and opportunities.
- Ford Building
 - Mr. Mathes updated the Board of the status of the Ford building and the IDA's attempt to purchase. Mr. Mathes informed the Board of a private note held on the property of over \$500,000. Mr. Mathes informed the Board that Delaware Engineering has almost completed an appraisal of the property as well as a budget for remediation.

Workforce Training Center Report

Nothing to report.

MOTIONS AND RESOLUTIONS

Approve Resolution: Real Property Acquisition

Chris Martel of Hodgson Russ joined via conference call at 9:06 a.m. to discuss the IDA acquisition of real property in the Rail Yards. Mr. Martel summarized four key components of the Resolution. (1) Purchase of 76 acres from OCDC and the Oneonta River Corp. for \$250,000. (2) Purchase of a roughly three-acre parcel with two buildings. The parcel would be broken into two separate parcels, 62 Roundhouse Road and 72 Roundhouse Road. The IDA would have the option to enter into an agreement to purchase each parcel on a sliding scale. Purchase price of 62 Roundhouse Road would be \$150,000 for the first year and would increase from there, and 72 Roundhouse Road would have a first-year purchase price of \$100,000. (3) Creation of an LDC to take title of said property. (4) Authorizing an Agency Investment of at least \$250,000. Simultaneously with the Agency Investment the LDC and the IDA will execute and deliver a certain lease agreement, pursuant to which the LDC has agreed to lease the Property to the IDA and the IDA will execute and deliver a lease agreement pursuant to which the IDA will lease the Property back to the LDC. Chris Martel left the meeting at 9:25 a.m. After some discussion, Mr. Morgan moved to approve the resolution. Mr. Lord seconded and the motion passed by unanimous voice vote (5 yes, 0 no, Mr. Jordan abstained due to his presence on the board of OCDC).

Authorize Spending for JD, talent search, Food Hub

Mr. Mathes asked for authorization for spending not to exceed \$3,000 to tap into Karen Karp & Associates' network of experts to help design a job description for, and to assess available talent for, a Food Hub director/"guru". Mr. Jordan moved to approve. Mr. Morgan seconded and the motion passed by unanimous voice vote.

Executive Session

Mr. Jordan made a motion to enter into the executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 9:43 a.m., for the following reason:
To discuss the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation. Mr. Lord seconded and the motion passed by unanimous voice vote. The Board entered executive session at 9:43 a.m. The Board decided that Mr. Morgan, Mr. Hanft, and Mr. Hulse would present a consultant evaluation to Mr. Mathes at a date and time to be determined.

Mr. Morgan moved to exit executive session. Mr. Lord seconded and the motion passed unanimously, and the Board exited executive session at 10:08. No action was taken during or following executive session.

NEW BUSINESS

No new business.

OLD BUSINESS

No old business.

ADJOURNMENT

There being no further business, Mr. Morgan motioned to adjourn the meeting at 10:09 a.m., Mr. Jordan seconded, and the meeting was adjourned.

The next meeting of the COIDA Board will take place September 22, 2016, at 8:00 a.m., at 189 Main Street, Oneonta NY.