

**Jefferson County Industrial Development Agency
Board Meeting Minutes
April 4, 2019**

The Jefferson County Industrial Development Agency held their board meeting on Thursday, April 4, 2019 in the board room at 800 Starbuck Avenue, Watertown, NY.

Present: John Jennings, W. Edward Walldroff, Paul Warneck, Robert E. Aliasso, Jr., William Johnson, Lisa L'Huillier

Also Present: Joseph Russell, Esq., Christine Powers, Kent Burto, Rich Duvall, and Marcus Wolf of the Watertown Daily Times

Staff Present: Donald Alexander, David Zembiec, Lyle Eaton, Peggy Sampson, Jay Matteson, and Marshall Weir

Excused: David Converse, Chair

Absent: None

- I. **Call to Order:** Vice Chairman Jennings called the meeting to order at 8:39 a.m.
- II. **Privilege of the Floor:** Mr. Jennings invited guests to speak. No one spoke.
- III. **Minutes:** Minutes of the regular meeting held March 7, 2019 were presented. A motion to approve the minutes as presented was made by Mr. Aliasso, seconded by Mr. Johnson. All in favor. Carried.
- IV. **Treasurer's Report:** Mr. Aliasso reviewed the financials for the period ending March 31, 2019 along with the delinquent loans. He said that the delinquent Metro Paper PILOT has been paid. After discussion, a motion was made by Mr. Aliasso to accept the financial report of March 31, 2019 as presented, seconded by Mr. Johnson. All in favor. Carried.
- V. **Committee Reports:**
 - a. **Loan Review**
 - i. **Resolution Number 04.04.2019.01 for Mr. Rick's Bakery, Inc. Modification**

– Mr. Aliasso said that the business has faced issues because of the rules that have been imposed upon them by NYS such as the increased minimum wage. Mr. Walldroff asked if the closure of Alteri's Bakery has provided opportunities or challenges. Mr. Alexander said both. He said that Mr. Alberry is currently dealing with health issues and they are trying to determine if Mr. Alberry's son will take over the business. After review and discussion, a motion was made by Mr. Warneck to approve the attached resolution, seconded by Mr. Aliasso. All in favor. Carried.
- VI. **Unfinished Business:**

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1. **Above Reality – Your Virtual Sports Complex** – Mr. Alexander said that Bill Gaudette has been unable to get key man life insurance policy because he was injured while in the Army. Mr. Alexander said that the Watertown Local Development Corporation, as lead agency, has waived this requirement and asked the IDA to consider the same. A motion was made by Mr. Warneck to waive the life insurance requirement for Bill Gaudette, seconded by Mr. Aliasso.
2. **Report on the Business Complex at Watertown International** – Mr. Zembiec reported that the County and a logging company are currently clearing the property for a road to be constructed. He said that our insurance coverage is \$2M; however, the engineer requires \$5M. Therefore, we will increase our coverage.
3. **Apex** – Mr. Aliasso asked if the money has been returned to Apex. Mr. Eaton said not yet because he is waiting on an invoice that will need to be paid.
4. **Morgan Watertown** – Mr. Aliasso asked if there is any risk to the Agency for the Autumn Ridge PILOT. Mr. Warneck asked if there are indemnification clauses in the documents. Attorney Russell said the PILOT took place before he was hired. Mr. Eaton said that he would provide Attorney Russell with the PILOT and Lease documents for him to review. Mr. Alexander said that in simple terms, our Agency is responsible for accepting PILOT payments and distributing those PILOT payments to the affected taxing jurisdictions.

VII. New Business:

1. **Jefferson County Board of Legislators (JCBOL) – Board Reappointments** – Mr. Jennings said that the JCBOL reappointed David Converse and W. Edward Walldroff at their March 5, 2019 meeting. Their terms will expire on December 31, 2022.
2. **Resolution Number 04.04.2019.02 for Amending Trust Indenture for ReEnergy Black River LLC Bond** – Attorney Russell said that this mechanism allows ReEnergy quicker access to revenues to use for capital and has zero risk to the Agency. He said the bond holders have approved it. A motion was made by Mr. Aliasso to approve the attached resolution, seconded by Mr. Warneck. All in favor. Carried.

Mr. Matteson and Mr. Duvall left the meeting at 9:09 a.m.

3. **ReEnergy Black River LLC – Second Amendment to Amended and Restated Leaseback Agreement** – Mr. Alexander indicated that he sent this document to the board as an attachment to an email yesterday. A motion was made by Mr. Aliasso to approve the second amendment to the amended and restated leaseback agreement, seconded by Mr. Warneck. All in favor. Carried.
4. **Concentrix (Concrete Deck Project)** – Mr. Alexander said that he along with Billy Soluri, Aubertine & Currier and Justin Keegan (Concentrix) walked the property and toured the building yesterday. He said that several items will need to be addressed to correct structural issues with our building as well as blocks of sidewalk and water infiltration. Mr. Jennings asked if someone can do an evaluation of the building for upgrades that will need to happen

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within the next five to ten years. Mr. Alexander said that we use WICLDC employees on a weekly basis and indicated that some major items have already been addressed (i.e. roof, façade, etc.), but that an overall evaluation can be done again soon for the long term.

Deck – Mr. Alexander said the deck (which is an egress for employees) has decayed and is now unsafe. He said that the maintenance company had been using a bobcat to clear snow, even though they knew they were supposed to use light equipment. Mr. Jennings asked if this falls under their insurance. Mr. Alexander said that an investigation is underway. Mr. Alexander said that he will gather the information from Aubertine & Currier and report to the board when it is ready for authorization.

VIII. Counsel: None.

IX. Adjournment: With no further business before the board, a motion to adjourn was made by Mr. Aliasso, seconded by Mr. Walldroff. All in favor. The meeting adjourned at 9:26 a.m.

**JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Resolution Number 04.04.2019.01**

**RESOLUTION FOR AUTHORIZING A MODIFICATION TO THE
MICROENTERPRISE LOANS TO
Mr. Rick's Bakery, Inc.**

WHEREAS, Fran Alberry, President/Secretary of Mr. Rick's Bakery, Inc., requested in a letter to this Agency a modification to the Microenterprise Loan Funds due to rising costs of doing business in New York State causing them to cut staff to cut costs. They also noted that local competition ceased to exist and they now need to increase staff to meet growing demands for their product. They are looking at options to increase sales and other services to decrease their costs, and

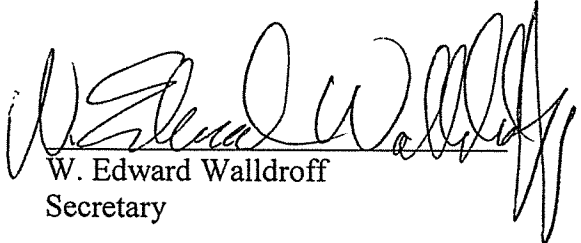
WHEREAS, Staff reviewed this request and recommended interest only for nine months, retroactive to December 1, 2018 through August 1, 2019, and extend the maturity dates of the loans for a corresponding amount of time, and

WHEREAS, on March 26, 2019 the Loan Review Committee of the Jefferson County Industrial Development Agency reviewed this request and recommended approval to the full Board of Directors, and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Jefferson County Industrial Development Agency that it herein approves the modification request and that all terms and conditions of the original loans remain in effect, and be it further,

RESOLVED, that the Chairman, Vice Chairman, Secretary and/or Chief Executive Officer are authorized and directed to execute any and all documents necessary to carry out the purposes of this Resolution.

This resolution shall take effect immediately.


W. Edward Walldroff
Secretary

**Jefferson County Industrial Development Agency
Resolution Number 04.04.2019.02**

**Amending Trust Indenture for ReEnergy (Black River LLC) Solid Waste Disposal
Revenue Bond Issuance**

WHEREAS, a resolution of the Jefferson County Industrial Development Agency (JCIDA) approving an amendment for a Second Supplemental Indenture to an existing Solid Waste Disposal Revenue Bonds Issuance for ReEnergy Black River LLC Project; and

WHEREAS, the JCIDA has approved the Issuance, execution, sale and delivery by this Agency of its Solid Waste Disposal Revenue Bonds on behalf of ReEnergy (Black River LLC); and

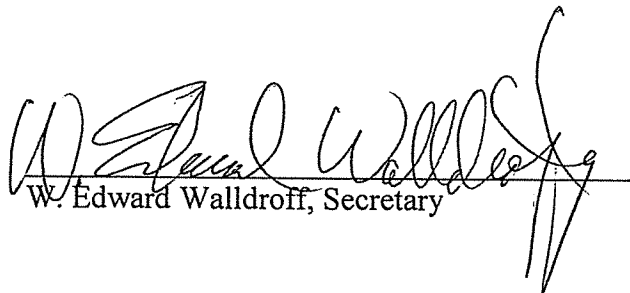
WHEREAS, the Board of Directors believes it is appropriate to amend the initial First Supplemental Indenture of these bonds entered into as of July 1, 2015; and

WHEREAS, this second supplemental indenture has been requested by ReEnergy Black River LLC and approved by the Bank of New York Mellon, as Trustee; and

WHEREAS, this proposed second supplemental indenture does not significantly change the original Trust Indenture; and

NOW, THEREFORE BE IT RESOLVED BY THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY; that the "Agency" Directors hereby direct the CEO to execute the necessary documents to amend the Trust Indenture to say "Notwithstanding the foregoing provisions of this Section 5.7, at the direction of the Company, the Trustee shall also at any time transfer to the ReEnergy Black River LLC Operating Account in the Operating Fund, the amount of Revenues received since the most recent Monthly Transfer Date, or any portion thereof as directed by the Company, to the extent necessary to pay Operating Expenses of the Facility, Planned Capital Expenditures and costs incurred in connection with Unplanned Repairs and Replacements that are due and payable prior to the next Monthly Transfer Date".

This resolution shall take effect immediately.


W. Edward Walldroff, Secretary