

**Jefferson County Industrial Development Agency
Board Meeting Minutes
November 1, 2018**

The Jefferson County Industrial Development Agency held their board meeting on Thursday, November 1, 2018 in the board room at 800 Starbuck Avenue, Watertown, NY.

Present: David Converse, Chair, John Jennings, William Johnson, W. Edward Walldroff, Paul Warneck, Robert E. Aliasso, Jr.

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

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

Excused: Lisa L’Huillier

Absent: None

- I. Call to Order:** Mr. Converse called the meeting to order at 8:37 a.m.
- II. Privilege of the Floor:** Mr. Converse invited guests to speak. No one spoke.
- III. Minutes:** Minutes of the regular meeting held October 4, 2018 were presented. A motion to approve the minutes as presented was made by Mr. Aliasso, seconded by Mr. Jennings. All in favor. Carried.
- IV. Treasurer’s Report:** Mr. Aliasso reviewed the financials for the period ending October 31, 2018 along with the delinquent loans. Mr. Aliasso pointed out that 2 PILOT payments are still due for Metro Paper. Mr. Eaton reported that Wright Brothers is caught up on their interest payments.

The Board advised Mr. Eaton to provide information to Attorney Russell since RC Spot is three months behind and it was confirmed that equipment was moved from the Mall location with no notification, and no response to Mr. Eaton’s attempts to contact them. Therefore, Attorney Russell will send a default letter.

After discussion, a motion was made by Mr. Aliasso to accept the financial report of October 31, 2018 as presented, seconded by Mr. Jennings. All in favor. Carried.

V. Committee Reports:

a. Audit Committee

- i. Engage Bowers & Company for the 2017-2018 Audit** – Mr. Jennings said that the audit committee met on October 11th to discuss the yearend financial statement and the engagement of Bowers & Company for the 2017-2018 Audit. Mr. Aliasso pointed out that the JCCFDC is included in the IDA Audit. After discussion, a motion was made by Mr. Jennings to approve the engagement with Bowers & Company, seconded by Mr. Aliasso. All in favor. Carried.

**Jefferson County Industrial Development Agency
Board Meeting Minutes
November 1, 2018**

b. Governance Committee

- i. Summary Results of Confidential Evaluation of Board Performance** – Mr. Walldroff said that the governance committee met on October 11th to review and discuss the board evaluations, recapture policy, and the IDA application. He said that two areas that need attention are communications and setting clear and measureable goals. He pointed out that there were better results than last year.

After review and discussion, a motion was made by Mr. Warneck to approve the attached resolution, seconded by Mr. Jennings. All in favor. Carried.

- ii. Recapture Policy** – Attorney Russell said that he still needs to complete his review and indicated that it would be ready for next month’s meeting.
- iii. Proposed Application** – The proposed application was recently amended by Mr. Aliasso and reviewed at the governance committee. He made some formatting changes and removed duplications. It was noted that the letter L was missing in the lettering sequence, so once that has been addressed, the board told staff to start using the application.

VI. Unfinished Business:

1. Mr. Alexander said that he recently held a meeting at BOCES that included many area school superintendants, school board members, several of our board members, the NYS Education Department and a representative from the Comptroller’s Office. He said that the purpose of the meeting was to discuss the impact of PILOTs on the 2% tax cap and the impact of PILOTs for school aid formulas.

Mr. Warneck suggested using real time data all the way through the process instead of pulling numbers from thin air. He said that schools need to be concerned with what happens at the end of a PILOT, which could have a negative impact on them.

VII. New Business:

1. **Aubertine & Currier Proposal for Archive Grant Bid Process** – This item belongs to the JCLDC.
2. **Discuss BCA Engineers & Architects proposal for the Business Complex at the Airport** – Mr. Zembiec said the contract is not ready since they are still clarifying the scope of work and timeframe, but expects it to be ready for next month’s meeting.

VIII. Counsel:

1. **Resolution Number 11.01.2018.01 to terminate the Metro Paper PILOT Agreement and authorize the re-conveyance of real property** – Attorney Russell said that Metro Paper is in the process of selling their facility in Carthage, NY. He indicated that the numbers in the resolution may not be correct, but informed board members that Mr. Eaton calculated the

**Jefferson County Industrial Development Agency
Board Meeting Minutes
November 1, 2018**

prorated amount for this year's payment. He said that there have been some glitches in respect to the sale including an old delinquent tax bill. He said the PILOT started in 2005, but the actual deed to the JCIDA was not recorded until April 2005 and the village created a tax bill that has been unpaid for all of these years. He said that it was re-levied in 2006 and it has been confirmed that the County of Jefferson made the Village whole, but Metro still has to pay the County. He said that he is not sure what the County will do regarding penalties and interest.

After discussion, a motion was made by Mr. Warneck to approve the attached resolution that is subject to recalculation of the PILOT payments due and to be approved by counsel, seconded by Mr. Aliasso. Roll call vote was taken. Mr. Converse – Yea, Mr. Jennings – Yea, Mr. Aliasso – Yea, Mr. Walldroff – Yea, Mr. Warneck – Yea, Mr. Johnson – Yea, and Ms. L'Huillier – Absent. Carried.

Mr. Matteson left the meeting at 9:44 a.m.

2. **Galloo Island Wind LLC – Interrogatory/Document Review** – Mr. Aliasso said that all questions were satisfied in that the response from the developer was not a draft and was sent to the PSC; therefore, he wondered if the board felt it could send the letter originally approved at the September meeting. Board Members agreed to update the date of the letter and send it to the PSC.

- 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 9:48 a.m.

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

RESOLUTION

A meeting of the Jefferson County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 800 Starbuck Ave. in the City of Watertown, Jefferson County, New York on November 1, 2018 at 8:30 a.m., local time.

The meeting was called to order by the Chairman upon roll being called, the following members of the Agency were:

PRESENT: David Converse, John Jennings, Robert E. Aliasso, Jr., W. Edward Walldroff, Paul Warneck, and William Johnson

ALSO PRESENT: Donald Alexander, David Zembiec, Lyle Eaton, Peggy Sampson, Jay Matteson, Joseph Russell, Esq., Kent Burto, Christine Powers, and Marcus Wolf from the Watertown Daily Times

ABSENT: Lisa L'Huillier

The following resolution was offered by Mr. Warneck seconded by Mr. Aliasso to wit:

Resolution No. 11.01.2018.01

RESOLUTION TERMINATING THE PAYMENT IN LIEU OF TAXES AGREEMENT WITH METRO PAPER INDUSTRIES OF N.Y., INC. AND AUTHORIZING THE RE-CONVEYANCE OF REAL PROPERTY

WHEREAS, the Agency and the affected taxing jurisdictions entered into a Payment in Lieu of Taxes Agreement ("Pilot Agreement") with Metro Paper Industries of N.Y., Inc. ("Metro Paper") effective as of September, 2005, and in furtherance thereof Metro Paper conveyed to the Agency certain real property located in the Village of Carthage, Jefferson County, New York (the "Facility") and the Agency subsequently leased the Facility back to Metro paper; and

WHEREAS, Metro Paper is in the process of selling the Facility to a third party, and has requested that the Agency re-convey the Facility to Metro Paper and terminate the Pilot Agreement; and

WHEREAS, the Agency is willing to comply with Metro Paper's request pursuant to the terms contained herein.

NOW, THEREFORE, BE IT RESOLVED by the members of the agency as follows:

Section 1. Metro Paper is currently in arrears in its Pilot payments in the amount of \$63,333 representing the Pilot payment due and payable as of September 1, 2017. In addition, the Pilot payment which was due and payable on September 1, 2018 remains unpaid, and of that payment of the sum of \$34,973.53 represents the prorated amount to be applied towards real property taxes from the date of re-conveyance by the Agency until the property is placed back on the tax rolls as nonexempt.

Section 2. Upon payment by Metro Paper of the Pilot arrearages and prorated payments in the total amount of \$98,306.53, together with the Agency's legal fees and expenses the Agency shall re-convey the Facility to Metro Paper.

Section 3. The Chief Executive Officer of the Agency is hereby authorized to execute all documents necessary to effectuate the purpose of this resolution.

Section 4. This resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to a vote on rollcall, which resulted as follows:

David J. Converse	VOTING	<u>YEA</u>
John Jennings	VOTING	<u>YEA</u>
Robert E. Aliasso, Jr.	VOTING	<u>YEA</u>
W. Edward Walldroff	VOTING	<u>YEA</u>
Paul Warneck	VOTING	<u>YEA</u>
William Johnson	VOTING	<u>YEA</u>
Lisa L'Huillier	VOTING	<u>ABSENT</u>

The foregoing resolution was thereupon declared duly adopted.

STATE OF NEW YORK)

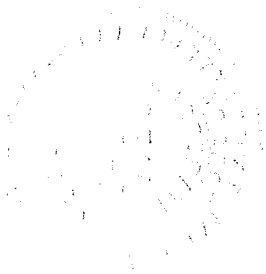
COUNTY OF JEFFERSON) ss.:

I, the undersigned Chief Executive Officer of the Jefferson County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY, that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on November 1, 2018 with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such Resolution set forth therein and of the whole of said original so far as the same related to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respect duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present through said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 1st day of November, 2018.



A handwritten signature in black ink, reading "D.C. Alexander", is written over a horizontal line.

Donald C. Alexander
Chief Executive Officer