

**Jefferson County Industrial Development Agency
Board Meeting Minutes
November 5, 2020**

The Jefferson County Industrial Development Agency held their board meeting on Thursday, November 5, 2020 in the board room at 146 Arsenal Street, Watertown, NY.

Present: David Converse, Chair, Paul Warneck, Robert E. Aliasso, Jr., W. Edward Walldroff, William Johnson, Lisa L'Huillier

Excused: None

Absent: John Jennings

Also Present: Joseph Russell, Esq., Calvin McNeely, and Craig Fox from the Watertown Daily Times
Zoom: Rob Aiken, Matthew Moses, Esq.

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

- I. Call to Order:** Chairman Converse called the meeting to order at 9:56 a.m.
- II. Privilege of the Floor:** Mr. Converse invited guests to speak. No one spoke.
- III. Minutes:** Minutes of the annual meeting held October 1, 2020 and the special meeting held October 15, 2020 were presented. Mr. Aliasso said a minor revision needs to be made to his presentation. He said the words 'in all continents except' needs to be added in front of Antarctica. A motion to approve the minutes as amended/presented respectively 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 October 31, 2020. After discussion, a motion was made by Mr. Aliasso to accept the financial report as presented, seconded by Mr. Johnson. All in favor. Carried.
- V. Committee Reports:**
 - a. Audit Committee**
 - i. Resolution No. 11.05.2020.01 to Engage Auditors for Annual Audit** – After review and discussion, a motion was made by Mr. Warneck to approve the attached resolution, seconded by Ms. L'Huillier. All in favor. Carried.
 - b. Loan Review Committee** – Mr. Aliasso said the committee met on October 27th.
 - i. Resolution No. 11.05.2020.02 for RBM Manufacturing Corp.** – Mr. Aliasso pointed out that the employee projections were resubmitted as full-time equivalents. He said the first loan has created 12 FT jobs and the new loan is projecting to create 12 additional jobs over three years. Mr. Converse asked for a motion to approve the resolution. A motion was made by Mr. Aliasso, seconded by Ms. L'Huillier. Discussion ensued.

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Mr. Walldroff said his concern is that the company is in a good financial position and was wondering why they didn't go to the bank for financing. Mr. Alexander said that we have had a relation with the family for 25-30 years which has evolved over time and indicated that these folks have honored their obligations. He also said they are a local high-tech business that is being marketed across the U.S. and he feels it's worth the additional investment. Mr. McNeely said that they have a new banking relationship with Watertown Savings Bank, and he wasn't sure they would go out on a limb on a start-up. He said they came back to the IDA because of the history and the ease of the process. Mr. Aliasso said that he had a similar concern, but felt satisfied after speaking with the McNeely's. He said that we are in business to create jobs.

Mr. Converse asked about his goal for selling franchises. Mr. McNeely said that his goal is to sell 10 per year. Mr. Walldroff said that if the proforma comes to fruition then they should keep us in mind to accelerate payback of the loan.

All in favor of the attached resolution. Carried.

Mr. McNeely left the meeting.

- ii. **Resolution No. 11.05.2020.03 for Above Reality Virtual Sports Complex –** Mr. Aliasso said that the business is considered a theatre and has been unable to open during the pandemic. He said bankruptcy proceedings have begun. The write off balance of \$33,393.49 is effective September 30, 2020. After review and discussion, a motion was made by Mr. Aliasso to approve the attached resolution, seconded by Mr. Warneck. All in favor. Carried.

VI. Unfinished Business:

- 1. **146 Arsenal Street Building** – Mr. Converse said this was covered at the JCLDC meeting.
- 2. **YMCA Project** – Mr. Converse said this was covered at the JCLDC meeting.
- 3. **NYS REDI Program** – Mr. Alexander expressed his concern about the 64 applicants in Jefferson County and the 5% local match. He said that some of the projects have started and some are already done. He said that we are limited in what we can do. He said that he has been asking ESD since we are now getting requests from the applicants.

Mr. Aliasso said this item was brought up at Loan Review. He said that there was a discussion that the municipalities could come to the IDA instead of all 64 applicants. Attorney Russell said that municipalities cannot fund private projects. He said that the State created a program that is impossible to satisfy.

Mr. Zembiec suggested providing a denial letter to applicants as proof that they tried so they can send them to ESD. Mr. Converse said that he likes the idea to throw it back to the State. It was suggested that Mr. Alexander reach out to Molly Reilly for more information.

VII. Counsel: None.

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VIII. New Business:

1. **Presentation by Jennifer T. Maniette of NYSERDA** – The presentation took place in the JCLDC board meeting.
2. **Resolution No. 11.05.2020.04 to Adopt Retention and Disposition Schedule LGS-1** – After review and discussion, a motion was made by Mr. Warneck to approve the attached resolution, seconded by Mr. Aliasso. All in favor. Carried.
3. **Executive Session** – At 10:44 a.m., a motion was made by Mr. Warneck to enter into executive session to discuss the potential acquisition of real property and easement, seconded by Mr. Aliasso. All in favor. Board Members, Staff and Counsel remained.

At 11:00 a.m., a motion was made by Mr. Aliasso to leave executive session and resume the regular meeting, seconded by Mr. Warneck. All in favor.

- IX. Adjournment:** With no further business before the board, a motion to adjourn was made by Mr. Warneck, seconded by Mr. Aliasso. All in favor. The meeting adjourned at 11:01 a.m.

Respectfully submitted,

Peggy Sampson

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Resolution Number 11.05.2020.01
to Engage Auditors for Annual Audit

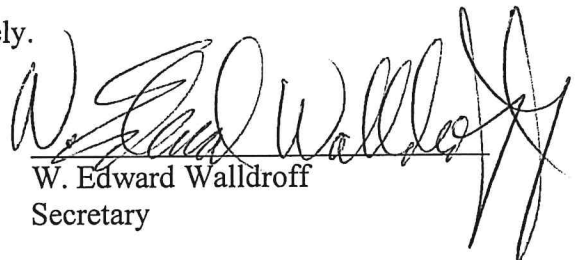
WHEREAS, the Audit Committee met on October 6, 2020 to meet with Bowers & Company CPAs PLLC, and

WHEREAS, Bowers & Company presented an engagement letter to audit the financial statements for the year ended September 30, 2020. The fee will be \$10,300 for the audit and \$400 for the preparation of information returns, and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Jefferson County Industrial Development Agency that it herein approves the recommendation as set forth in this Resolution, 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 11.05.2020.02

**RESOLUTION FOR AUTHORIZING A REVOLVING LOAN TO
RBM MANUFACTURING CORP.**

WHEREAS, RBM Manufacturing Corp. is a "C" Corporation owned by Richard C. McNeely and Rhonda McNeely, and

WHEREAS, this is a request for additional working capital in the amount of \$200,000, and

WHEREAS, in November 2019 the JCIDA Board approved the original loan in the amount of \$200,000, at interest only for six months; due to the COVID-19 pandemic the interest only was extended through December 2020, and

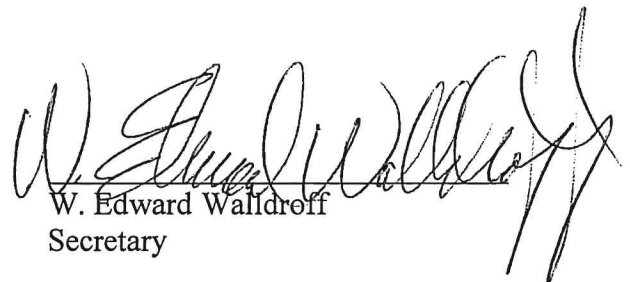
WHEREAS, Staff recommends combining the two loans for one loan of \$400,000, interest only for twelve months, then 3% for five years (exception to normal terms). Collateral will be a second position lien on the assets of the Corporation and personal guarantees of Richard C. McNeely and Rhonda McNeely. There are currently 12 jobs and they are projecting to create 12 additional jobs over three years, and

WHEREAS, on October 27, 2020 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 approved the request for a Four Hundred Thousand Dollar (\$400,000.00) loan to RBM Manufacturing Corp. with all terms and conditions as set forth in this Resolution, 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 11.05.2020.03

**RESOLUTION FOR AUTHORIZING A WRITE OFF TO THE MICRO ENTERPRISE
LOAN FUND TO
Above Reality Virtual Sports Complex**

WHEREAS, Above Reality Virtual Sports Complex is going out of business since they are considered a theatre and cannot open during the COVID-19 pandemic, and

WHEREAS, the Watertown Local Development Corporation as lead agency is planning to write off their portion of the loan at their October board meeting, and

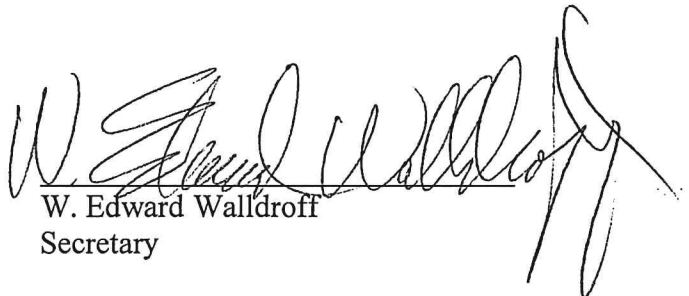
WHEREAS, Staff recommends approval to write off the MICRO loan with an outstanding principal balance of \$33,393.49 effective September 30, 2020, and

WHEREAS, on October 27, 2020 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 request to write off this account, 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

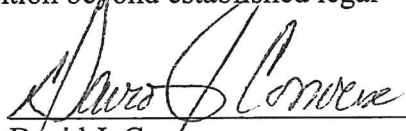
JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Resolution Number 11.05.2020.04

RESOLUTION TO ADOPT RETENTION AND DISPOSITION SCHEDULE LGS-1

RESOLVED, By the Board of Directors of the Jefferson County Industrial Development Agency that *Retention and Disposition Schedule for New York Local Government Records*, issued pursuant to Article 57-A of the Arts and Cultural Affairs Law, and containing legal minimum retention periods for local government records, is hereby adopted for use by all officers in legally disposing of valueless records listed therein.

FURTHER RESOLVED, that in accordance with Article 57-A:

- a) Only those records will be disposed of that are described in *Retention and Disposition Schedule for New York Local Government Records* after they have met the minimum retention periods described therein;
- b) Only those records will be disposed of that do not have sufficient administrative, fiscal, legal, or historical value to merit retention beyond established legal minimum periods.



David J. Converse
Chairman