

**Jefferson County Industrial Development Agency  
Annual Board Meeting Minutes  
January 5, 2023**

The Jefferson County Industrial Development Agency held their annual board meeting on Thursday, January 5, 2023 in the board room at 800 Starbuck Avenue, Watertown, NY.

**Present:** Robert E. Aliasso, Jr., Paul Warneck, Lisa L'Huillier, David Converse, W. Edward Walldroff, John Condino

**Excused:** William Johnson

**Absent:** None

**Also Present:** Christine Powers, Rob Aiken, Greg Gardner, Justin Miller, Esq. (Zoom), Craig Fox from the Watertown Daily Times (Zoom)

**Staff Present:** David Zembiec, Marshall Weir, Lyle Eaton, Peggy Sampson, Joy Nuffer, Robin Stephenson

- I. Call to Order:** Chairman Aliasso called the meeting to order at 8:00 a.m.
- II. Pledge of Allegiance**
- III. Privilege of the Floor:** Chairman Aliasso invited guests to speak. No one spoke.
- IV. Minutes:** Minutes of the meeting held December 1, 2022 were presented. A motion to approve the minutes as presented was made by Mr. Converse, seconded by Mr. Walldroff. All in favor. Carried.
- V. Treasurer's Report:** Mr. Warneck reviewed the financials for the period ending December 31, 2022. He said that the liabilities/capital is up compared to last year. Mr. Warneck said there was no change to the delinquent loans. Chairman Aliasso asked about the MICRO bad debt reserve. Mr. Eaton said we have reviewed and adjusted the reserve accordingly. After discussion, a motion was made by Mr. Warneck to accept the financial statement as presented, seconded by Ms. L'Huillier. All in favor. Carried.
- VI. Committee Reports:**
  - a. Alternative Energy Ad Hoc Committee** – Mr. Warneck said the committee has not met recently. Mr. Zembiec reported that he contacted Jen Gaffney, of the Sackets Harbor School District, to see if she had heard from Boralex. He said that she hadn't, nor did the Town of Hounsfield.
  - b. Audit Committee**
    - i. Resolution No. 01.05.2023.01 to Engage Auditors for Annual Audit** – The Audit Committee met on December 16, 2022 for a pre-audit meeting with Bowers & Co. for the upcoming 15-month audit (10/1/21 – 12/31/22). The audit is scheduled to start on January 26, 2023. The fee will be \$20,900 which includes the 15-month audit, preparation of information returns (JCCFDC) and a single audit (ARPA and YMCA federal funds). A motion was made by Mr. Converse to approve the resolution, seconded by Mr. Warneck. All in favor. Carried.

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**c. Loan Review Committee**

- i. Resolution No. 01.05.2023.02 for LCO Destiny, LLC** – The Loan Review Committee met on December 28, 2022 and recommended a \$250,000 RLF at a rate of 5% for a 5 year amortization. Collateral will be a co-proportional first position lien on assets of the business and personal guarantee of Lisa Weber. The loan will be contingent upon approval of a \$125,000 participation loan from the North Country Alliance with the additional contingency that Lisa and Joseph Weber do not collect payment on their personal loans to the company as long as the company owes money to the JCIDA.

Mr. Converse said that their major client closed their business and LCO shut down during the start of the COVID pandemic. He said that our loan was paid when they sold one of their buildings. He also said that they are now restructuring and plan to bring product in from China.

A motion was made by Mr. Converse to approve the resolution, seconded by Ms. L'Huillier. All in favor. Carried.

Mr. Zembiec noted that the NCA loan committee meets on January 11<sup>th</sup> followed by their full board on January 18<sup>th</sup>.

- d. Nominating Committee** – Ms. L'Huillier said that the Nominating Committee met on November 23, 2022 to select and recommend the slate of officers for 2023 and to recommend reappointment of JCLDC Board Member Christine Powers.

- i. Resolution No. 01.05.2023.03 to Elect Officers** – Ms. L'Huillier said the Nominating Committee is recommending the following slate of officers for 2023: Chairman – Robert E. Aliasso, Jr., Vice Chairman – William Johnson, Treasurer – Paul Warneck, and Secretary – W. Edward Walldroff. A motion was made by Mr. Walldroff to approve the resolution, seconded by Mr. Warneck. All in favor. Carried.

- ii. Resolution No. 01.05.2023.04 Re-Appointing JCLDC Board Member Christine Powers** – The Nominating Committee recommended reappointment of JCLDC Board Member Christine Powers for a term to expire December 31, 2027. A motion was made by Ms. L'Huillier to approve the resolution, seconded by Mr. Walldroff. All in favor. Carried.

Chairman Aliasso welcomed John Condino to the board of directors. He said that Mr. Condino was appointed by the County Board of Legislators. Mr. Condino said that he is happy to be a part of the board. He said that he currently works at Barton & Loguidice and has for the last 16 years. He said that he previously worked at the Development Authority and O'Brien & Gere.

**VII. Unfinished Business:**

- 1. 146 Arsenal Street update** – Mr. Zembiec said that they continue to have weekly progress meetings and indicated that they are on schedule. Mr. Weir said that he had an opportunity to tour the progress and said that it is an impressive undertaking and looks outstanding. They plan to open this Fall.

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2. **Resolution No. 01.05.2023.05 to Authorize a Write-Off for the Standard Machine and Fabrication MICRO loan** – Standard Machine and Fabrication is in default and has been issued a demand letter, providing no response. Our legal firm (Harris Beach) will sue on our behalf to obtain judgement against Justin Poirier. The outstanding principal balance is \$37,352.70 effective December 31, 2022.

The Bad Debt Reserve will be reduced to \$52,647.30 based upon our original review of questionable loans. The reserve should be adequate for 2023.

Mr. Warneck asked how it will play out as we seek judgement because we are in a second position. Attorney Miller said that staff has been communicating with the primary lender who confirmed that they are having similar difficulties. He said that it will hopefully workout and maybe we can recover some funds.

Mr. Walldroff asked about the equipment that was used as collateral. Attorney Miller said that the UCC's will follow the equipment. There would be impact if the equipment disappears.

A motion was made by Mr. Warneck to approve the resolution, seconded by Mr. Walldroff. All in favor. Carried.

**VIII. New Business:**

1. **Proposed Committee Structure** – A motion was made by Mr. Converse to approve the proposed committee structure, seconded by Ms. L'Huillier. All in favor. Carried.

**IX. Counsel:** None.

- X. **Adjournment:** With no further business before the board, a motion to adjourn was made by Mr. Walldroff, seconded by Ms. L'Huillier. All in favor. The meeting adjourned at 8:34 a.m.

Respectfully submitted,

*Peggy Sampson*

**JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**Resolution Number 01.05.2023.01  
to Engage Auditors for Annual Audit**

**WHEREAS**, the Audit Committee met on December 16, 2022 to meet with Bowers & Company CPAs PLLC, and

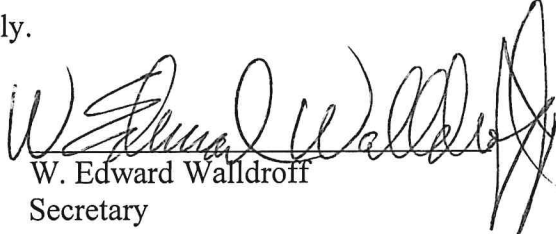
**WHEREAS**, Bowers & Company presented an engagement letter to audit the financial statements for the 15-month period October 1, 2021 - December 31, 2022 (including JCCFDC). The fee will be \$14,900 for the audit, \$1,200 for the preparation of information returns (JCCFDC), and \$4,800 for the single audit for a total of \$20,900, and

**WHEREAS**, the Audit Committee recommends approval of the engagement letter, 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 01.05.2023.02**

**RESOLUTION FOR AUTHORIZING A  
REVOLVING LOAN TO  
LCO DESTINY, LLC d/b/a Timeless Frames**

**WHEREAS**, LCO Destiny, LLC d/b/a Timeless Frames has requested a Revolving Loan in the amount of Three Hundred Seventy-Five Thousand Dollars (\$375,000) to be used for working capital, and

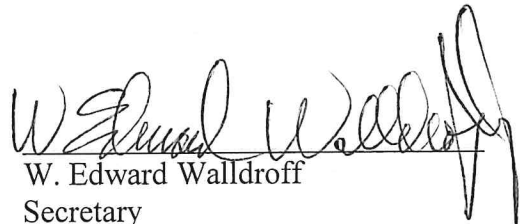
**WHEREAS**, There are currently 28 employees with a plan to add 7 within three years, staff reviewed the request and recommends approval of a JCIDA Revolving Loan in the amount of \$250,000, with the balance of the request coming from a \$125,000 from the North Country Alliance, and

**WHEREAS**, on December 28, 2022 the Loan Review Committee of the Jefferson County Industrial Development Agency reviewed the request and recommends approval by the full Board of Directors for a \$250,000 loan at a rate of 5% with a 5 year amortization. Collateral will be a co-proportional first position lien on assets of the business and personal guarantee for Lisa A. Weber. The loan will be contingent upon approval of a \$125,000 participation loan from the North Country Alliance with the additional contingency that Lisa Weber and Joseph Weber do not collect payment on their personal loans to the company as long as the company owes money to the JCIDA, and

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Jefferson County Industrial Development Agency that it herein approves the request for a Two Hundred Fifty Thousand Dollar (\$250,000) loan to LCO Destiny, LLC 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 01.05.2023.03**  
**For Election of Officers**

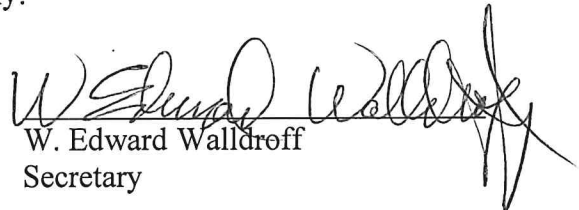
**WHEREAS**, the Nominating Committee met on November 23, 2022 and recommended the following slate of officers for the 2023 calendar year:

Chairman	Robert E. Aliasso, Jr.
Vice Chairman	William Johnson
Treasurer	Paul Warneck
Secretary	W. Edward Walldroff, and

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Jefferson County Industrial Development Agency that it herein approves the slate of officers 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 01.05.2023.04**

**Re-Appointing JCLDC Board Member Christine Powers**

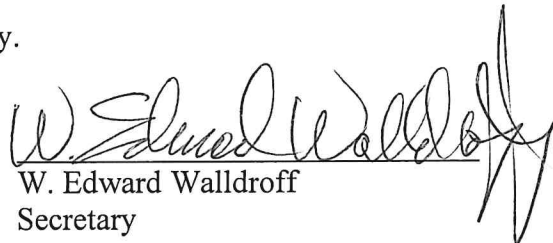
**WHEREAS**, as initial member of the Corporation, the JCIDA shall appoint additional Directors to the JCLDC Board, and

**WHEREAS**, the Nominating Committee met on November 23, 2022 and recommended re-appointment of Christine Powers effective immediately and ending on December 31, 2027, 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 01.05.2023.05**

**RESOLUTION FOR AUTHORIZING A WRITE OFF TO THE MICRO ENTERPRISE  
LOAN FUND TO  
Standard Machine and Fabrication**

**WHEREAS**, Standard Machine and Fabrication is in default and has been issued a demand letter, providing no response, and

**WHEREAS**, our legal firm (Harris Beach) is suing to obtain judgement against Justin Poirier, and

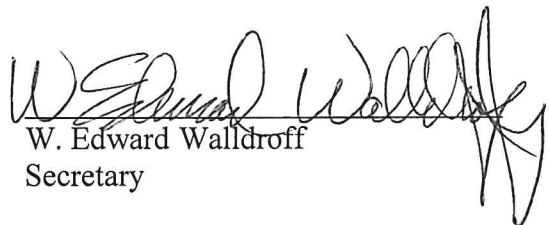
**WHEREAS**, Staff recommends approval to write off the MICRO loan with an outstanding principal balance of \$37,352.70 effective December 31, 2022, and

**WHEREAS**, the balance for the MICRO bad debt reserve will be reduced to \$52,647.30 based upon our original review of questionable accounts. The reserve should be adequate for 2023, 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 continue to seek collection, 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