

**Jefferson County Industrial Development Agency
Board Meeting Minutes
April 3, 2025**

The Jefferson County Industrial Development Agency held its board meeting on Thursday, April 3, 2025 in the board room at 800 Starbuck Avenue, Watertown, NY.

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

Excused: None

Absent: None

Also Present: Rob Aiken, Ryan Piche (Jefferson County Administrator)
Zoom: Stephen Maier, Esq. (Harris Beach), Dawn Robinson

Staff Present: Marshall Weir, Jay Matteson, Lyle Eaton, Peggy Sampson, Robin Stephenson

- I. Call to Order:** Chairman Aliasso called the meeting to order at 8:28 a.m.
- II. Privilege of the Floor:** No one spoke.
- III. Minutes:** Minutes of the meeting held on March 6, 2025 were presented. A motion to approve the minutes as presented was made by Mr. Converse, seconded by Mr. Walldroff. Minutes of the special meeting held on March 20, 2025 were presented. A motion to approve the minutes as presented was made by Mr. Warneck, seconded by Mr. Walldroff. All in favor. Carried.
- IV. Treasurer's Report:** Mr. Warneck reviewed the financials for the period ending March 31, 2025. He asked when the AES Sapphire project will close. Mr. Weir said it is planned to close in June. Mr. Warneck noted that Colleen's Cherry Tree Inn is four months behind. Mr. Eaton said the financials show a \$30 charge for a bounced check. Ms. Stephenson said that she reached out to them and received an email response that they would send in a payment. Ms. Stephenson said they are now open for the season and asked them to make extra payments to bring the account up to date and stay current. Mr. Warneck said Taste of Design is three months behind. Ms. Stephenson said she reached out to them and was told that a payment would be sent in. After discussion, a motion was made by Mr. Warneck to accept the financial statement as presented, seconded by Mr. Johnson. All in favor. Carried.
- V. Committee Reports:**
 - a. Alternative Energy** – Mr. Condino said the board previously talked about setting up a meeting with one of the large utility-scale solar developers to start talking about their ideas on a PILOT. Mr. Warneck said that he would pick the project in the Town of Lyme (AES) if they are willing to come in and talk to us about how they want to proceed. Mr. Weir said that he would set it up. Mr. Warneck said that he would like to know what their new proposed schedule is and what they will be looking for. Mr. Walldroff agreed and would like to know how it will be tied into National Grid's build-out for transmission. He said that all of these projects are incurring significant capital costs through lease payments and noted that people are getting paid lease payments with nothing going on. Mr. Condino said a different twist they have seen is that some of the companies are purchasing the property.

**Jefferson County Industrial Development Agency
Board Meeting Minutes
April 3, 2025**

Alternative Energy continued –

Mr. Walldroff said he doesn't like seeing the solar plants in a state of neglect at the former OYA site. He said panels are hanging and falling, and actuators aren't working. He said it was substandard work when it was installed. Mr. Warneck noted that those were locally approved. He said one of the projects in LeRay has sheep grazing for grass control and commented that it does not work. Mr. Condino said many of the early projects were handled by local boards who didn't reach out to get expert legal and technical advice which would have put everything in place to provide that oversight.

Mr. Warneck said that Mr. Piche is working on a universal planning document so the projects that are handled locally can be handled better. Mr. Piche said he hopes the document will be presented to the board in April. He said the County can endorse a best practice and encourage communities to take steps in the right direction. He said we have learned lessons about screening and setbacks so local laws need to include better language.

Mr. Piche said the State gave the New York Power Authority (NYPA) authority to regulate and produce energy in NYS. He said NYPA published a document last week that preliminarily identified two projects in the North Country (one in Jefferson County and one in Lewis County) that may be projects that they are interested in owning. He said that he contacted NYPA and was told it is very early in the process and that they will honor any tax agreements that have been put in place. Mr. Converse asked if it would take the project off the tax rolls. Mr. Piche said yes. He said a separate agreement would have to be negotiated.

Mr. Piche said solar in the state code is exempt from building permits and the County's stance has been to allow that exemption. He said the County is reversing that stance because they want the projects to get permits and pay permit fees and they will be right there with the municipalities enforcing the codes established.

- b. Building and Grounds Committee** – Mr. Condino said there is nothing new but asked Mr. Weir to schedule a meeting.

VI. Unfinished Business:

- 1. Jefferson County Corporate Park Sign** – Mr. Weir said that we have run into a roadblock with the corporate park sign and its location.

VII. New Business:

- 1. Fixed Asset Policy Amendment** – Chairman Aliasso said this was a recommendation from the auditors. Staff recommended changing the value to capitalize fixed asset purchases from \$1,000 to \$5,000. A motion was made by Mr. Warneck to approve the recommendation, seconded by Mr. Converse. All in favor. Carried.

**Jefferson County Industrial Development Agency
Board Meeting Minutes
April 3, 2025**

VIII. Counsel:

- 1. Project Authorizing Resolution No. 04.03.2025.01 for CWT Farms International, Inc. Project – Project Extension** – Mr. Matteson said it is a small increase in the sales tax abatement. He said they have work they still have to do, which is basically landscaping and so on at the facility. He said they wanted the deadline to be June 1st, but we recommended October 1st to give them time to get the project done. The total value of the benefit will now be \$420,000.

Chairman Aliasso read the purpose of the resolution. A motion was made by Mr. Warneck to approve the resolution, seconded by Mr. Walldroff. Roll call vote. Mr. Aliasso – Yea, Mr. Converse – Yea, Mr. Condino – Yea, Mr. Johnson – Yea, Ms. L’Huillier – Yea, Mr. Walldroff – Yea, and Mr. Warneck – Yea. Carried.

Attorney Maier said for clarification the prior total sales tax exemption was \$416,806.

Consideration of Executive Session

At 8:53 a.m. Mr. Johnson made a motion to enter into executive session for legal matters relating to the financials of a particular company and potential land acquisition, seconded by Mr. Warneck. All in favor. Board Members, LDC Board Members (Aiken, Robinson), Staff, Attorney Maier, and Mr. Piche remained. All in favor.

At 9:23 a.m. a motion was made by Mr. Warneck to leave executive session, seconded by Mr. Condino. All in favor. No action was taken.

- IX. Adjournment:** With no further business before the board, a motion to adjourn was made by Mr. Johnson, seconded by Mr. Warneck. All in favor. The meeting was adjourned at 9:24 a.m.

Respectfully submitted,

Peggy Sampson

PROJECT AUTHORIZING RESOLUTION
(CWT Farms International, Inc. Project – Project Extension)

A regular meeting of the Jefferson County Industrial Development Agency was convened on Thursday, April 3, 2025 at 8:30 a.m.

The following resolution was duly offered and seconded, to wit:

Resolution No. 04.03.2025.01

RESOLUTION OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING (i) AN EXTENSION IN CONNECTION WITH A CERTAIN PROJECT PREVIOUSLY UNDERTAKEN FOR THE BENEFIT OF CWT FARMS INTERNATIONAL, INC. (THE “COMPANY”), AND (ii) THE EXECUTION AND DELIVERY OF AN AMENDMENT TO AGENT AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE PROJECT.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 369 of the Laws of 1971 of the State of New York, (the “Act”), the **JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the “Agency”) was created with the authority and power to promote, develop, encourage and assist in acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research, and recreational facilities as authorized by the Act, and in connection therewith to issue its revenue bonds, and/or enter into straight lease transactions and provide other forms of financial assistance; and

WHEREAS, pursuant to a certain Project Authorizing Resolution adopted by the Agency on April 7, 2022 (the “Project Authorizing Resolution”), the Agency appointed CWT Farms International, Inc. (the “Company”) as agent to undertake a certain project (the “Project”) consisting of: (i) the acquisition by the Agency of a leasehold interest in an approximately 6 acres of vacant real property located at 20835 Alexander Drive in the Town of Watertown, New York 13601 (the “Land”, being more particularly described as TMID No 82.00-2-1.5 and Lot 8 in the TIAg Park), (ii) the planning, design, construction, equipping and operation of an approximately 49,000 square foot poultry hatchery facility, including hatching spaces, warehousing, storage, shipping, receiving, office and mechanical spaces, external parking improvements, curbage, landscaping, storm water management and related site improvements (collectively, the “Improvements”), and (iii) the acquisition in and around the Improvements and of certain items of equipment and other tangible personal property and equipment (the “Equipment” and, collectively with the Land and the Improvements, the “Facility”), and (iv) entering into a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency will retain a leasehold interest in the Facility for a period of time and sublease such interest in the Facility back to the Company (the “Straight Lease Transaction”); and

WHEREAS, in furtherance of the Project, and pursuant to the Project Authorizing Resolution, the Agency and Company undertook the Project and Straight Lease Transaction pursuant to certain Project Agreements, each dated as of August 16, 2022, including (i) a certain Agent and Financial Assistance and Project Agreement (the "Agent Agreement") (ii) a Lease Agreement (the "Lease Agreement") from the Company to the Agency (iii) a Leaseback Agreement by and between the Agency and the Company, (the "Leaseback Agreement"); (iv) a Payment-In-Lieu-of-Tax Agreement by and between the Agency and the Company, (the "PILOT Agreement"); (v) a PILOT Mortgage (the "PILOT Mortgage"); (vi) an Environmental Compliance and Indemnification Agreement from the Company to the Agency (the "Environmental Compliance Agreement"); and (vii) related documents (and collectively, the foregoing being referred to as the "Agency Documents"); and

WHEREAS, the Agent Agreement, as extended, expired as of December 31, 2024, and the Company has advised the Agency that additional time is required to complete the Project, and that the Company requires an increase in sales and use tax exemptions in connection with same; and

WHEREAS, in furtherance of the foregoing, the Agency desires to authorize (i) the extension of the appointment of the Company as agent of the Agency to undertake the Project through October 1, 2025, (ii) the execution and delivery of an amendment to the Agent Agreement; and (iii) the provision of additional the Financial Assistance to the Company in the form of a total of \$420,000 in sales tax exemptions (collectively, the "Extension Request").

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. Subject to (i) the Company executing an amendment to the Agent Agreement, and (ii) delivery to the Agency of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Agency, and (iii) payment of all costs and fees of the Agency, the Agency hereby authorizes the Extension Request.

Section 2. Section 3 of the Project Authorizing Resolution is hereby amended to read as follows: Based upon the representation and warranties made by the Company the Application, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount up to approximately \$5,250,000, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$420,000.00. The Agency agrees to consider any requests by the Company for increase to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services, and, to the extent required, the Agency authorizes and conducts any supplemental public hearing(s).

Section 3. Pursuant to Section 875(3) of the Act, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any sales and use tax exemption

benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement on its application for financial assistance; (v) the sales and use tax exemption benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project; and/or (vi) the Company obtains mortgage recording tax benefits and/or real property tax abatements and fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project (collectively, items (i) through (vi) hereby defined as a "Recapture Event").

As a condition precedent of receiving sales and use tax exemption benefits and real property tax abatement benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) if a Recapture Event determination is made by the Agency, cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, mortgage recording tax benefits and/or real property tax abatements abatement benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands, if and as so required to be paid over as determined by the Agency.

Section 4. The Chairman, Vice Chairman and/or Executive Director (or Deputy Executive Director) of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the amended Agent Agreement, and related documents with such changes as shall be approved by the Chairman, Vice Chairman, the Executive Director and counsel to the Agency upon execution.

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 6. These Resolutions shall take effect immediately upon adoption.

The question of the adoption of the foregoing resolutions was duly put to vote on roll call, which resulted as follows:

| | <i>Yea</i> | <i>Nay</i> | <i>Absent</i> | <i>Abstain</i> |
|------------------------|------------|------------|---------------|----------------|
| Robert E. Aliasso, Jr. | X | | | |
| David J. Converse | X | | | |
| John Condino | X | | | |
| William W. Johnson | X | | | |
| Lisa L'Huillier | X | | | |
| W. Edward Walldroff | X | | | |
| Paul J. Warneck | X | | | |

The resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF JEFFERSON) ss:

I, the undersigned W. Edward Walldroff Secretary of the Jefferson County Industrial Development Agency, DO HEREBY CERTIFY:

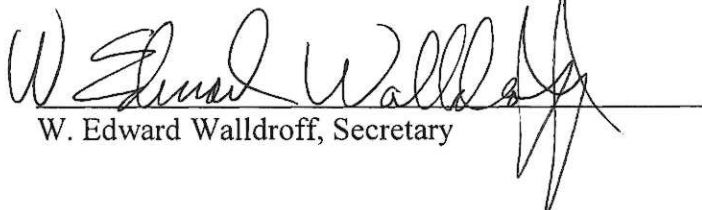
That I have compared the foregoing extract of the minutes of the meeting of the Jefferson County Industrial Development Agency (the "Agency") including the resolution contained therein, held on April 3, 2025, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with Article 7.

I FURTHER CERTIFY that there was a quorum of the members of the Agency present throughout 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 modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this 3rd day of April, 2025.


W. Edward Walldroff, Secretary

[SEAL]

