

# Schoharie County Industrial Development Agency

## Board of Directors Meeting

April 8, 2015

1. **Meeting** called to order 10:20 a.m. by Chairman Greenlees.
2. **Present** : Dr. Greenlees, Chester Burton, Joseph Trapani. Absent: James Brown, Wanda King. Also present: Ron Filmer, Elaine Diamond
3. **Minutes** of the February 18, 2015 meeting were approved on **motion** by Joe Trapani and seconded by Chet Burton. All voted in favor.
4. **Bills, Communications** – none
5. **Balance Sheet** – approved as presented on **motion** by Chet Burton and seconded by Joe Trapani.
6. **Committee Reports** – **Audit Committee** presented the Report of duties, Assessment of agency's internal controls, guidelines for reporting suspected fraudulent, criminal, etc. activities and Procedures for complaints concerning accounting, internal controls and auditing; **Finance Committee** presented the budget versus actual. The committee reports were reviewed and approved on **motion** by Joe Trapani and seconded by Chet Burton.
7. **Old Business** – none
8. **New Business** – none
9. **Projects: Wal-Mart** – Jeff Knight with Wal-Mart called Ron this week, they need to close by mid April 2015 and feel the legal process is not moving as quickly as it should be. Ron called Joe Scott. After a few conversations with Jeff and Joe, it appears that everything is back on track to have the PILOT benefit agreement and lease executed. Wal-Mart needs to advertise with New York job site for employment opportunities; they have asked Joe Scott for guidelines on how to do this and are awaiting a response. Joe Scott believes this project could close by Friday. Ron will monitor and assist when needed.

**GRSI** – the required paperwork is not complete and they have yet to acquire insurance on the building. Ron did assist them with finding an insurance agent who gave GRSI a quote of \$60,000 per year with an increase to \$120,000 per year once reconstruction begins. Responses to some legal questions are still needed and the fees still need to be paid: \$15,000 for HodgsonRuss and \$37,500 for the IDA. The IDA fee was negotiated to be paid over a period of time. There are currently four potential companies going into the building; there had been five. The companies will be getting a 10 year tax break through Start Up NY. Two companies have been approved by NYS Empire Development.

**ACTES** – there is a foreclosure auction set for April 14, 2015. It is unknown whether the sale to GSMS is going through. There is also the potential that Stella McKenna may file bankruptcy. The IDA judgment that Christian Sollar with HodgsonRuss was working on for unpaid taxes and fees doesn't attach to the building. The hearing for this judgment is set for

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May 11, 2015. The judgment can be attached to the proceeds of the sale and/or directly against ACTES. The additional legal fees to secure the judgment are approximately \$2,500.00. After discussion, it was agreed to get a statement in writing from the attorney (after the foreclosure auction) regarding the progress to date and the possibility of collecting on a judgment with the associated pros and cons. At this point it needs to be determined whether spending more monies on legal fees is worth it.

Potential lease of IDA land was discussed; currently the interested party is working with SUNY Cobleskill. If a license is awarded, they may still be interested in leasing IDA land.

**Sharon Springs Inc.** – Ron has been at meeting with the Village of Sharon Springs and this project has been discussed. SSI currently has a new architecture and project manager. The Restore grant funds are still available, but can be “swept” at any time. The Village of Sharon Springs has been cracking down on code violations and will most likely cite SSI for building/code violations.

10. **Other** – Micro loans: **Justine’s** – Steve Salerno brought in four payments of four months each. Once all payments are applied, this loan will be current.

**Perrones** – they had contacted Ron for a payoff figure a couple of months ago; and we believe they are awaiting the sale of another building to pay off this loan. No current payments have been received.

**Fairbank Stables** – She started to catch up on payments but did not continue and needs to be contacted again.

**Iroquois Gas Line** – Marjorie Troidl copied Ron on an email that she sent regarding a potential PILOT for the existing pipeline in an effort to end the long standing law suit. She was inquiring as to the status of the PILOT discussions. All affected taxing jurisdictions had previously discussed and agreed a PILOT was a workable solution to this problem. Iroquois Gas Line has not returned the IDA application. The County attorney, Joe Scott, and the attorney for Iroquois Gas Line have met for preliminary discussions.

**Kinder-Morgan** – Dr. Greenlees had heard them mentioned in the news regarding objections to their running a new gas pipeline. Ron stated that they had contacted him several months ago but he hasn’t heard anything further from them.

11. On motion duly made and seconded, the meeting adjourned at 10:37 a.m.