

SCHOHARIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
Board of Directors Meeting  
January 13, 2017

1. **Meeting** called to order at 9:40 a.m. by Chairman Greenlees.
2. **Present** : Dr. Greenlees, Chester Burton, Joseph Trapani. Also present: Jeffrey Haslun, Ron Filmer and Elaine Diamond, Joe Scott. Absent: Wanda King
3. **Minutes** of the December 16, 2016 meeting were approved on **motion** by Joe Trapani and seconded by Chet burton. All voted in favor.
4. **Bills/Communications** – N/A
5. **Trial Balance** –The trial balance was approved as presented

6. **Committees of the Agency:**

**GOVERNANCE COMMITTEE** - Members present: Dr. Greenlees, Chet Burton and Joseph Trapani. Minutes of the June 21, 2016 meeting were approved on **motion** by Joe Trapani and seconded by Chet Burton.

The Housekeeping Resolution was reviewed. No changes were recommended. Approved on **motion** by Joe Trapani and seconded by Chet Burton.

7. **Old Business – Solar Project**; There was discussion regarding whether the solar project proposed at last month's meeting should be pursued. The pros and cons of leasing or selling were reviewed. Attorney Joe Scott stated that either option legally was allowable for the IDA to pursue. The Board agreed to further explore this option. Ron is to contact Bill Jordan for a proposed draft lease/purchase contract. These will be forwarded to all members for review and discussion at the next meeting.

**Loan review** – Debbie Sisson was unable to meet with Ron prior to today's meeting to discuss other loan amount options as discussed at last month's meeting. Therefore, this potential loan is on hold.

**Beekman 1802** – Joe Trapani inquired if there had been a closing on this property. Ron responded that the 90 day notice to the State regarding the intent to sell has not yet expired. Once it does, than the closing can proceed. Ron hasn't had any contact from Beekman regarding the closing either, most likely due to the holidays.

8. **New Business - SSI – Village of Sharon Springs** – Mayor Doug Plummer contacted Ron regarding the necessary repairs to their sewer system. Apparently, until these repairs are done (estimated at \$2.2 million), no new businesses can hook up to the Village system. The State Empire State Development (Alison) also called Ron in an attempt to explore securing funding for these repairs. Alison asked about the potential for PILOT increment financing which both Ron and Joe Scott felt would be difficult to get the municipalities to agree to. Joe Scott inquired if the Mayor had contacted Environmental Facilities Corporation (EFC) as they are typically the source for low interest loans and grants for such projects. Ron will speak with the Mayor about this.

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Another option could be if SSI were to request a PILOT for the Columbia Hotel, then the incremental PILOT financing could be set up.

9. **Middleburgh Meadows** – There has been no response from our recent contacts. Joe Scott sent a letter of intent and the necessary process to them on November 28, 2016. Joe and Ron will reach out to them. The final approving resolution should be ready in February.

**Tennessee Gas** and multiple jurisdictions are requesting an additional PILOT as their current one expires April of 2017. All affected taxing jurisdictions have met and passed their own resolutions approving a PILOT. This is not a new project, but rather enables the continuation of the existing project. Tennessee Gas has submitted an IDA application. The next step is a public hearing, to wit the following resolution was approved:

**PUBLIC HEARING RESOLUTION  
TENNESSEE GAS PIPELINE COMPANY PROJECT – PILOT AMENDMENTS**

A regular meeting of Schoharie County Industrial Development Agency (the “Agency”) was convened in public session the offices of the Agency located at 349 Mineral Springs Road in the Town of Cobleskill, Schoharie County, New York on January 13, 2017 at 9:30 a.m., local time.

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

PRESENT:

Dr. Thomas Greenlees	Chairman
Wanda King	Treasurer
Chester Burton	Member
Joseph Trapani	Member

ABSENT:

Wanda King

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Ronald S. Filmer, Jr.	Chief Executive Officer
Jeffrey Haslun	CFO
Elaine Diamond	Secretary
A. Joseph Scott, III	Agency Counsel

The following resolution was offered by Chester Buron, seconded by Dr. Greenlees, to wit:

Resolution No. 0117-

# SCHOHARIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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### RESOLUTION AUTHORIZING A PUBLIC HEARING REGARDING THE PROPOSED AMENDMENTS TO A PILOT AGREEMENT FOR THE BENEFIT OF THE TENNESSEE GAS PIPELINE COMPANY.

WHEREAS, Schoharie County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 114 of the 1973 Laws of New York, as amended, constituting Section 905-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in December 2006, Tennessee Gas Pipeline Company, a Delaware foreign business corporation (the "Company"), requested that the Agency consider undertaking a project (the "Original Project") for the benefit of the Company, said Original Project consisting of the following: (A) (1) the acquisition of an interest in certain parcels of land located at 2840 U.S. Route 20, Carlisle, New York, commonly referred to as the Carlisle Compressor Station, along with an interest in the land underlying three natural gas pipelines, covering, in the aggregate, approximately fifty-five miles of land, and traversing the towns of Carlisle, Esperance, Schoharie, Sharon and Wright (the "Land"), (2) the renovation of a portion or portions of the existing buildings located at the Carlisle Compressor Station, consisting of two buildings comprising approximately 131,000 square feet of space (the "Existing Facility"), (3) the construction of an addition to the Existing Facility constituting an additional 5,400 square feet of space (the "Addition") (the Existing Facility and the Addition hereinafter collectively referred to as the "Facility"), and (4) the acquisition and installation thereon and therein of various machinery and equipment (the "Equipment") (the Land, the Facility, the Equipment and the Pipeline hereinafter collectively referred to as the "Project Facility"), all of the foregoing to constitute an expansion and improvement of the existing natural gas supply facilities, such facility to be owned and operated by the Company as facilities for providing natural gas, related administrative support services and other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, in connection with the undertaking of the Original Project, the Agency and the Company entered into the following documents: (A) a lease agreement dated as of February 1, 2007 (the "Lease Agreement") and (B) a payment in lieu of tax agreement dated as of February 1, 2007 (the "PILOT Agreement"); and

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WHEREAS, the PILOT Agreement was originally scheduled to terminate on December 31, 2016 in accordance with the terms contained in the Lease Agreement; and

WHEREAS, the Company has obtained the consents of Schoharie County, the Town of Carlisle, the Town of Esperance, the Town of Sharon, the Town of Schoharie, the Town of Wright, the Canajoharie Central School District, the Cobleskill-Richmondville Central School District, the Schoharie Central School District and the Sharon Springs Central School District (collectively, the "Affected Taxing Jurisdictions") for an extension of the PILOT Agreement to April 30, 2017; and

WHEREAS, the Company has submitted an application to the Agency requesting that the expiration date of the PILOT Agreement be further extended to April 30, 2031(the "PILOT Request"), and in connection with such request, the Company has indicated that it will obtain the consents of the Affected Taxing Jurisdictions to such request; and

WHEREAS, in connection with the PILOT Request, the Agency is willing to consider the possible amendments to the PILOT Agreement, subject to the satisfaction by the Agency of its policies and applicable New York law; and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any "financial assistance" (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project; and

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 859-a of the Act with respect to the PILOT Request;

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

Section 1. The Agency hereby authorizes the Chief Executive Officer of the Agency, after consultation with the members of the Agency and Agency Counsel, (A) to establish the time, date and place for a public hearing of the Agency to hear all persons interested in the PILOT Request (the "Public Hearing"); (B) to cause the Public Hearing to be held in a city, town or village where the Project Facility is or is to be located, and to cause notice of such Public Hearing to be given to the public by publishing a notice or notices of such Public Hearing in a newspaper of general circulation available to the residents of the governmental units where the Project Facility is or is to be located, such notice or notices to comply with the requirements of Section 859-a of the Act; (C) to cause notice of the Public Hearing to be given to the chief executive officer of the county and of each city, town, village and school district in which the Project Facility is or is to be located to comply with the requirements of Section 859-a of the Act; (D) to conduct such Public Hearing; (E) to cause a report of the Public Hearing fairly summarizing the views presented at such Public Hearing (the "Report") to be prepared; and (F) to cause a copy of the Report to be made available to the members of the Agency.

Section 2. The Chairman, Vice Chairman and/or Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

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Section 3. All action taken by the Chief Executive Officer of the Agency in connection with the Public Hearing with respect to the PILOT Request prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

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

Dr. Thomas Greenlees	VOTING	<u>Yes</u>
Wanda King	VOTING	<u>Absent</u>
Chester Burton	VOTING	<u>Yes</u>
Joseph Trapani	VOTING	<u>Yes</u>

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK )  
 ) SS.:  
 COUNTY OF SCHOHARIE )

DRAFT

I, the undersigned (Assistant) Secretary of Schoharie County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on January 13, 2017 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates 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 respects 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 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 rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 13th day of January, 2017.

\_\_\_\_\_  
(Assistant) Secretary

(SEAL)

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11. **Other – Schoharie Eagle Properties** - The board reviewed the employment numbers. The owner, Tom Fagnani, has been responsive to date and has met the minimum required until now. Tom explained that one tenant had moved out and he was trying to negotiate a deal with another tenant (Risk Management). The Board discussed the explanation and found it reasonable and determined not to take any action at this time.

**Loan review:** The current loans were reviewed. Perrone's is significantly past due. After discussion, it was agreed that Ron will send a firm letter to them regarding repayment and consequences if payments are not made.

12. **Election of Officers** – Ron proposed keeping continuing with the current officers. On **motion** by Chet Burton and seconded by Joe Trapani, all agreed to keep the officers currently in place:

Chairman: Dr. Greenlees  
Vice-Chairman: Chester Burton  
Treasurer: Wand King  
Secretary: Elaine Diamond

13. On motion duly made and seconded, the meeting adjourned at 10:45 a.m.