

**Cayuga County Industrial Development Agency
Regular Meeting
Springside Inn
December 20, 2016 at 12:00pm**

Chairman Ray Lockwood called the meeting to order at 12:08pm, noting that a quorum was present.

ROLL CALL

Present: Ray Lockwood, Joseph Runkle, Paul Lattimore, Herb Marshall, John Latanyshyn, Carol Contiguglia, Gina Speno

Others Present: Tracy Verrier (CEDA); Rick Galbato (Galbato Law); Bruce Sherman (CEDA); Joe Sheppard (CEDA)

MEETING MINUTES

Mr. Lattimore moved to accept the minutes from the November 15th Regular Meeting; seconded by Ms. Speno. Mr. Latanyshyn moved that the wording in the Project Update section be amended to read:

“Ms. Riester provided a general update to the Board on Project Marinara and a possible real estate transaction. Discussion by the Board followed.”

The motion was seconded by Mr. Runkle. All members voted in favor. The motion passed and the minutes were approved as amended.

BILLS AND COMMUNICATIONS:

Ms. Verrier presented a bill from Harris Beach, PLLC for \$1,775 for legal fees pertaining to the Aurelius Industrial Park and other land purchases. A motion to pay the bill was made by Mr. Runkle; seconded by Mr. Latanyshyn. All members voted in favor; the motion carried.

Ms. Verrier presented bills from Galbato Law Firm totaling \$2,384.25 for legal fees pertaining to the Ontario Realty project and potential land acquisitions. A motion to pay the bills was made by Mr. Latanyshyn; seconded by Ms. Contiguglia. All members voted in favor; the motion carried.

Ms. Verrier presented a bill from the Chamber of Commerce for \$275 to pay for a 2017 General Membership. A motion to pay the bill was made by Ms. Contiguglia; seconded by Mr. Runkle. All members voted in favor; the motion carried.

Ms. Verrier presented a bill from NYSEG for \$174.76 for services provided to the Aurelius Industrial Park. A motion was made by Mr. Latanyshyn to pay the bills; seconded by Ms. Contiguglia. All members voted in favor; the motion carried.

REPORT OF THE TREASURER

Mr. Sheppard reviewed the budget report as well as the current PILOT Invoice and Disbursement Report. Mr. Sheppard noted that A1 Pumping had confirmed that they had sent their payment in the mail and it should be received shortly. A motion was made by Mr. Latanyshyn to accept the Report of the Treasurer; seconded by Mr. Lattimore.

UNFINISHED BUSINESS:

CEDA Staff Update:

Mr. Sherman provided an update on projects that have received ESD funding awards, stating that CIDEC received a \$240,000 award and S&B Lattimore, owners of the Springside Inn, received a \$1.2 million award,

noting that he anticipated the latter to approach the Board sometime in 2017. Mr. Sherman continued by updating the board on other ESD award announcements noting that Weaver Machine and Tool had received a \$200,000 award to assist with equipment upgrades, and CEDA had received a \$500,000 award to aid with the purchase of the Lexi Interiors building and the establishment of the Innovation Business Accelerator (IBA). The Gavras Center also received funding for an expansion to their daycare program.

Ms. Verrier provided an update on the IBA, noting the partnership with the Syracuse Tech Garden for initial operation, the possible deal flow, and the feasibility study that had been completed in 2014.

Ms. Verrier noted that there was not much to update on Project Marinara, explaining that the developers are continuing due diligence and exploring some new challenges. She noted that the developers are still dedicated to the site at this time, and are working hard to determine its feasibility.

Ms. Verrier provided an update on the Cayuga Milk Industries (CMI) project stating that the sewer line in the industrial park keeps getting a foam build up that is presumably being caused by the operation at the plant. The Town has needed to flush the line several times and it is becoming a source of tension between the Town and CMI. Steps are being taken to identify and resolve the problem. Mr. Marshall asked how far away Grober is from coming into production. Ms. Verrier noted that Grober is running behind schedule. Mr. Lattimore asked if Grober will have input into the existing sewer line. Ms. Verrier stated that yes they would, noting that once Grober enters the sewer line it may be near capacity. Mr. Lattimore asked about the Canadian legislation and any potential impact to CMI. Both Ms. Verrier and Mr. Sherman stated the belief that the Canadian legislation is moving forward and that it will possibly be appealed to the WTO.

Ms. Verrier provided an update on the property near the mall by stating that the Phase 2 ESA is currently underway and there should be a draft report available by the next meeting, noting the current due diligence period expires January 31. Mr. Lattimore asked about the current status of the abstract. Mr. Galbato explained that the abstract should be complete by mid-January and that the surveyor needs to analyze the abstract prior to completion.

NEW BUSINESS:

Officer Nominations:

The nominating committee reported that everyone in office would like to remain in the positions that they currently hold. The committee then chose to nominate all members for their existing positions. Mr. Marshall moved to accept the slate of nominations as put forward by the secretary; seconded by Mr. Runkle. The slate of nominees read as follows:

Raymond Lockwood	Chair
Paul Lattimore	Vice Chair
John Latanyshyn	Treasurer/Secretary
Justin Miller	Transaction Council
Rick Galbato	General Council
Tracy Verrier	Executive Director
Joseph Sheppard	Acting Treasurer/Secretary

All members present voted in favor; motion carried.

Report of the Governance Committee:

Mr. Sheppard provided an updated letter to the County Legislature, which explained the Boards desire for appointments made by the legislature (see Attached). This letter had been approved and signed by members of the Governance Committee prior to this meeting. Mr. Marshall moved to send this letter to the County Legislature; seconded by Ms. Speno. All members voted in favor, motion carried.

Ms. Verrier provided an update on changes that the Governance Committee would like to make to their Charter, specifically to section 9, adding language that states review should occur “at the time of charter review”. Ms. Verrier continued by noting that the Governance Committee will meet in February to discuss their charter and add more specific performance goals to CCIDA’s self-evaluation. Mr. Sheppard and Ms. Verrier have been requested to look at goals and examples from other IDA’s and report to the Committee at that time. The Board will review the recommendations made by the Governance Committee at the February meeting and add these goals into the self-evaluation.

RESOLUTION: Ratifying prior adopted policies, standards, and procedures:

A resolution was presented to the Board, which read in part (Full Resolution Attached):

RESOLUTION OF THE CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE “AGENCY”) (i) RATIFYING CERTAIN PRIOR-ADOPTED POLICIES, STANDARDS AND PROCEDURES IN CONNECTION WITH THE PUBLIC AUTHORITIES ACCOUNTABILITY ACT OF 2005; AND (ii) RATIFYING CERTAIN AGENCY POLICIES AND PROCEDURAL MATTERS IN FURTHERANCE OF THE PUBLIC AUTHORITY REFORM ACT OF 2009.

A motion to approve the Resolution was made by Mr. Runkle; seconded by Mr. Latanyshyn. All members voted in favor. The Resolution was duly adopted.

CIDEC Application for Assistance:

Ms. Verrier explained that an application for assistance had been received from CIDEC, but plans had changed slightly and the Town of Aurelius Planning Board is currently reviewing the SEQR and site plan and will be making a decision regarding this project at their January meeting. Ms. Verrier continued that pending the decision made by that board, this will be placed onto the agenda for the January meeting. She also noted that the application will not be for a PILOT, just Sales and Use tax exemptions.

RESOLUTION: Grober Sales and Use Tax Exemption:

Ms. Verrier explained that this request would not provide any additional benefits, it would simply to extend the period of benefit to June 30th, 2017. The sales tax exemption is currently set to expire December 31st, 2016.

A resolution was then presented to the Board, which read in part (Full Resolution Attached):

RESOLUTION OF THE CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING (i) THE EXTENSION OF AGENT STATUS FOR BOB VEAL CORP. AND GROBER NUTRITION LLC WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW); AND (ii) THE EXECUTION AND DELIVERY OF AN AMENDMENT TO AGENT AND FINANCIAL ASSISTANCE AGREEMENT AND RELATED DOCUMENTS.

A motion was made to approve the Resolution by Ms. Contiguglia; seconded by Mr. Latanyshyn. The resolution was put to a roll call vote and recorded as follows:

	Yea	Nay	Absent	Abstain
Paul Lattimore	X			
Carol Contiguglia	X			
John Latanyshyn	X			
Raymond Lockwood	X			
Herb Marshall	X			

Gina Speno	X
Joseph Runkle	X

The motion carried. The Resolution was duly adopted.

Other Business:

Mr. Latanyshyn asked how nominations and recommendations made it to the legislature. Ms. Verrier stated that forms are generally sent to the legislature with recommendations. Ms. Contiguglia stated that it should be recommended to the legislature that the Board has staggered terms, to which members of the Board concurred. Ms. Verrier stated that she was unsure if this was a legislature issue or a board issue, but will confirm. Mr. Galbato stated that the local legislature assigns lengths of terms, and the IDA enters these term-lengths into their By-Laws but can ask the legislature to stagger terms when making this year's recommendations.

Mr. Sheppard presented a spreadsheet outlining various project scenarios to raise \$800,000 as requested by Mr. Marshall at the last meeting.

Mr. Latanyshyn asked if we were looking at any other large agricultural companies to complement the ones currently at the industrial park. Ms. Verrier stated that has done some marketing targeting food processing, but that currently there is nothing serious in the pipeline. The Board discussed different food companies and food based industries that may be looking in the area.

Upcoming Events:

Ms. Verrier provided information on the Economic Forecast Luncheon to be held Thursday January 26th at the Hilton Garden Inn, noting that the key note will present trends in manufacturing along with locally based economic trends. She asked anyone interested in attending to please let her know.

Motion to adjourn made at 1:24pm by Mr. Latanyshyn, seconded by Mr. Marshall. All present voted in favor, motion passed.

Respectfully submitted,
Joseph Sheppard

Next regularly scheduled meeting: Tuesday, January 17th, 2017 at 4:00pm



Chairman Keith Batman
County Office Building, 6th floor
160 Genesee Street
Auburn, NY 13021

December 20, 2016

Dear Chairman:

Per the Cayuga County Industrial Development Agency's (CCIDA) Bylaws, it is the responsibility of the agency's Governance Committee to ensure that the Cayuga County Legislature, as the agency's appointing entity, is aware of the skills and experiences that are required of CCIDA Board members. In order to ensure the effectiveness of the CCIDA, it is important that legislators take into account these qualifications when appointing or reappointing Board members. The required qualifications are as follows:

- Knowledge of, or experience with corporate/organizational governance
- Ability to understand fiduciary responsibilities associated with public authority governance
- Intellectual independence allowing the member to carry out the mission of the agency in accordance with the public policy objectives of the state
- Commitment to serve and willingness to exercise management oversight
- Knowledge of the local economic climate
- An ability to understand economic and social impacts of CCIDA actions

Furthermore, the CCIDA prefers to maintain a balance of expertise among the Board members. At any given time, it is best to have members with varying degrees of knowledge of financing and financial practices, industry and business operation, and governance, as well as a broad understanding of the make-up, characteristics, and strengths and weaknesses of the county. This diversity in expertise allows the Board to broaden its discussions, understanding, and decision making in ways that would not be possible without these perspectives.

We encourage you and your fellow Legislators to keep these factors in mind when appointing the CCIDA Board this year. Thank you for your time and commitment.

Sincerely,


Carol Contiguglia


Paul Lattimore


Gina Speno

Raymond E. Lockwood
Chairman

Tracy Verrier
Executive Director

Cayuga County Industrial Development Agency
Governance Committee

2 State Street
Auburn, New York 13021

Phone: 315.252.3500

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www.cayugacountyida.com

RESOLUTION

A regular meeting of the Cayuga County Industrial Development Agency was convened on Tuesday December 20, 2016 at 12:00 p.m.

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

Resolution No. ~~12/16-1~~ 12/16-1

RESOLUTION OF THE CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") (i) RATIFYING CERTAIN PRIOR-ADOPTED POLICIES, STANDARDS AND PROCEDURES IN CONNECTION WITH THE PUBLIC AUTHORITIES ACCOUNTABILITY ACT OF 2005; AND (ii) RATIFYING CERTAIN AGENCY POLICIES AND PROCEDURAL MATTERS IN FURTHERANCE OF THE PUBLIC AUTHORITY REFORM ACT OF 2009.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law ("GML") of the State of New York (the "State"), as amended, and Chapter 671 of the Laws of 1974 of the State, (hereinafter collectively called the "Act"), the **CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the "Agency") was created as a public benefit corporation of the State for the benefit of Cayuga County (the "County"); and

WHEREAS, the Public Authorities Accountability Act of 2005 (the "PAAA"), which was signed into law on January 13, 2006 as Chapter 766 of the Laws of 2005, was enacted by the New York State Legislature to insure greater accountability and openness of public authorities throughout the State; and

WHEREAS, as a "local authority" as defined pursuant to Section 2 of the Public Authorities Law ("PAL") the Agency, by resolution adopted October 17, 2006, adopted requisite policies, standards and procedures in furtherance of PAAA, certain elements of which the Agency desires to ratify herewith; and

WHEREAS, by Chapter 506 of the Laws of 2009, the Public Authority Reform Act of 2009 ("PARA") imposed new requirements upon certain local authorities of the State, including the Agency; and

WHEREAS, the Agency desires to reinstate certain policies and committee charters of the Agency in furtherance of PARA; and

NOW, THEREFORE, BE IT RESOLVED by the members of the Board of the Agency (the "Board") as follows:

Section 1. The Agency hereby ratifies and approves the following policies and procedures previously reviewed and approved by the Agency, as contained within **Exhibit A**, hereto:

- (a) Agency Bylaws;
- (b) Agency Compensation, Reimbursement and Attendance Policy;
- (c) Agency Code of Ethics;
- (d) Agency Whistleblower Policy;
- (e) Agency Investment Policy;
- (f) Agency Travel Policy;
- (g) Agency Procurement Policy; and
- (h) Agency Defense and Indemnification Policy.

Section 2. In furtherance of PARA, the Agency hereby adopts the following policies previously reviewed and approved by the Agency (forms attached as **Exhibit B**, hereto):

- a) Agency Extension of Credit Policy;
- b) Agency Property Disposition Guidelines;
- c) Audit and Finance Committee Charter; and
- d) Governance Committee Charter.

Section 3. In accordance with PAAA and PARA, the following Agency Board members are appointed and shall serve on the following committees:

- a) Audit and Finance Committee:
Mr. Raymond Lockwood
Mr. John Latanyshyn
Mr. Herb Marshall
- b) Governance Committee:
Ms. Carol Contiguglia
Mr. Paul Lattimore
Ms. Gina Speno

Section 4. The Agency hereby appoints Executive Director Tracy Verrier as the Agency Contracting Officer and Agency Treasurer Joseph Sheppard as the designated representative of the Agency for reporting purposes in connection with the Public Authority Reporting Information System ("PARIS"), as administered by the Authority Budget Office of the State of New York ("ABO").

Section 5. 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:

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Paul Lattimore	[<input checked="" type="checkbox"/>]	[]	[]	[]
Carol Contiguglia	[<input checked="" type="checkbox"/>]	[]	[]	[]
John Latanyshyn	[<input checked="" type="checkbox"/>]	[]	[]	[]
Raymond Lockwood	[<input checked="" type="checkbox"/>]	[]	[]	[]
Herb Marshall	[<input checked="" type="checkbox"/>]	[]	[]	[]
Gina Speno	[<input checked="" type="checkbox"/>]	[]	[]	[]
Joseph Runkle	[<input checked="" type="checkbox"/>]	[]	[]	[]

The Resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF CAYUGA _____) SS:

I, the undersigned Secretary of the Cayuga County Industrial Development Agency,
DO HEREBY CERTIFY:

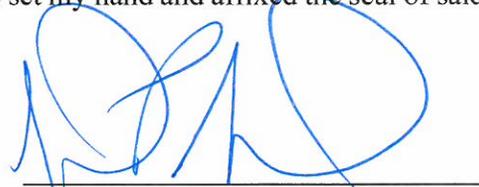
That I have compared the annexed extract of minutes of the meeting of the Cayuga County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on December 15, 2015, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same related 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 such 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 affixed the seal of said Agency this 20th day of DECEMBER, 2016.



Joseph Timothy Sheppard
Acting Secretary

[SEAL]

Exhibit A



AGENT EXTENSION RESOLUTION
(Grober Nutrition LLC and Bob Veal Corp. Project)

A regular meeting of Cayuga County Industrial Development Agency was convened on Tuesday, December 20, 2016, at 12:00 p.m.

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

Resolution No. 12/16 - 2

RESOLUTION OF THE CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING (i) THE EXTENSION OF AGENT STATUS FOR BOB VEAL CORP. AND GROBER NUTRITION LLC WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW); AND (ii) THE EXECUTION AND DELIVERY OF AN AMENDMENT TO AGENT AND FINANCIAL ASSISTANCE AGREEMENT AND RELATED DOCUMENTS.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 688 of the Laws of 1970 of the State of New York, as amended (hereinafter collectively called the "Act"), the **CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, pursuant to resolutions adopted on October 5, 2015 (the "Project Authorizing Resolution"), as supplemented by resolutions adopted on October 20, 2015 (the "Supplemental Resolution"; and, together with the Project Authorizing Resolution, the "Resolutions"), the Agency appointed **BOB VEAL COPR.** and **GROBER NUTRITION LLC** (together, the "Company") the true and lawful agents of the Agency to undertake a certain project (the "Project") consisting of: (A) the sale by the Agency (with retained leasehold interest) to the Company of an approximately 9.897-acre parcel of land located off Eagle Drive within the Town of Aurelius, Cayuga County, New York (the "Land", being identified as TMID No. 114.00-3-8); (B) the planning, design, construction by the Company on the Land of an approximately 60,000 square-foot feed ingredients processing and warehouse facility (the "Improvements") to be leased to and operated by Grober Nutrition LLC, such Improvements to include, but not be limited to (i) production space, warehouse space, lab space, office space and related interior improvements, and (ii) exterior improvements upon, within and adjacent to the Land to include stormwater retention improvements, parking improvements, landscaping, curbage, utility improvements and product and waste transmission conveyance improvements; and (C) the acquisition and installation in and around the Improvements of certain machinery, equipment and other items of tangible personal property (the "Equipment", and together with the Land and Improvements, the "Facility"); and

WHEREAS, in furtherance of the Project, the Agency and the Company executed a certain Agent and Financial Assistance, dated as of October 27, 2015 (the "Agent Agreement"), pursuant to which the Agency appointed the Company as its agent to undertake the Project; and

WHEREAS, the Agent Agreement expires on December 31, 2016; and

WHEREAS, the Company has requested the Agency's approval to extend the agent status of the Company for the Project to June 30, 2017 (the Extension"); and

WHEREAS, the Company has represented that the amount of purchases subject to a sales and use tax exemption has not increased from the amounts previously approved by the Agency pursuant to the Project Authorizing Resolution, and has requested that the Agency provide the Extension; and

WHEREAS, the Agency desires to adopt a resolution authorizing (i) approving the Company's request for the Extension; and (ii) the execution and delivery of an amendment to the Agent Agreement, along with related documents.

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

Section 1. The Agency hereby authorizes the Extension.

Section 2. "Section 3" of the Project Authorizing Resolution is amended to read as follows:

Section 3. Subject to the Company and Operator executing the Leaseback Agreement and Agent Agreement, along with the delivery to the Agency of a binder, certificate or other evidence of continued liability insurance policy satisfactory to the Agency, the Agency hereby authorizes the Company and Operator, as agents of the Agency, to undertake the acquisition, construction and equipping and equipping of the Project, and hereby extends the appointment of the Company and Operator as the true and lawful agents of the Agency to June 30, 2017: (i) to acquire, construct and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company or Operator chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf.

Section 3. The Agency hereby authorizes the Chairman, Vice Chairman and/or the Executive Director to execute an amendment to the Agent Agreement to memorialize the Extension. 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 4. These Resolutions shall take effect immediately.

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

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Raymond E. Lockwood	[X]	[]	[]	[]
Paul W. Lattimore, Jr.	[X]	[]	[]	[]
John Latanyshyn	[X]	[]	[]	[]
Carol Contiguglia	[X]	[]	[]	[]
Herb Marshall	[X]	[]	[]	[]
Joseph Runkle	[X]	[]	[]	[]
Gina Speno	[X]	[]	[]	[]

The Resolution was thereupon declared duly adopted.



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

I, the undersigned, (Acting) Secretary of the CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY, DO HEREBY CERTIFY:

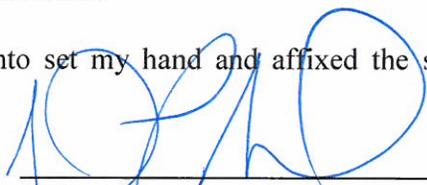
That I have compared the annexed extract of minutes of the regular meeting of the Cayuga County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on December 20, 2016, with the original thereof on file in my office, and that the same is a true and correct 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 related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of the Agency had due notice of said special 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 such 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 affixed the seal of said Agency this 20th day of December, 2016.



[SEAL]
JOSEPH T. SHEPPARD
ACTING SECRETARY