

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Meeting of March 30, 2021

CALL TO ORDER: Chairman Staples requests that Mr. Hall (who is attending the meeting in person) lead the meeting. Mr. Hall calls the meeting to order at 9:04 AM in the main conference room at the Ernest J. LaBaff Industrial Building, Canton.

ROLL CALL:

Blevins	Absent	Reagen.....	Present (via teleconference)
LaBaff	Present (via teleconference)	Morrill	Present (via teleconference)
McMahon.....	Present (via teleconference)	Hall	Present
Staples.....	Present (via teleconference)		

Mr. Hall announces there is a quorum.

Others: IDA Staff (Patrick Kelly, Richard Williams, Kimberly Gilbert and Lori Sibley); Christopher C. Canada, Esq., Hodgson Russ, LLP (Transaction Counsel for IDA Solar Projects)

PUBLIC NOTICE: Public notifications sent March 24, 2021 to, at a minimum: newspapers designated for the publication of local laws and other matters required by law to be published; additional local media sources and websites.

PUBLIC COMMENT: Ryan McCune (Business Development Manager, Nexamp Solar), Kevin McAuliffe (Barclay Damon), and Genevieve Trigg (Barclay Damon) attorneys for Nexamp are on the call as well and decline to comment unless and until any questions come up regarding the five proposed Nexamp projects on today's agenda.

APPROVAL OF MINUTES: Motion to accept the minutes of the December 18, 2020 meeting by Mr. LaBaff seconded by Mr. Staples. Motion carried unanimously.

FINANCIAL REPORTS: Motion to accept the November and December 2020 financial reports by Mr. LaBaff, seconded by Mr. Staples. Mrs. Gilbert reports that the *November* highlights include a \$5,000 expense for dairy industry lead generation marketing services, and expenses for the rehabilitation of the former Newell building and expenditures for the CDL-A Training program as part of the USDA grant we received in support of the program. *December* highlights correspond with information provided in the audit.

COMMITTEE REPORTS: *Governance Committee:* Mr. Hall reports for Mr. Blevins (Chair of the Audit Committee) and mentions that the committee met March 16, 2021 and reviewed the policies contained in today's meeting packet and notes there were no substantial changes to the policies. Mr. Hall mentions one suggested change in the Code of Ethics by changing the word "Director" to "Board Member" to be consistent with other policies. *Audit Committee:* Mr. Hall reports for Mr. McMahon and notes an audit exit committee meeting was held on March 26, 2021 with the audit firm of Pinto, Mucenski, Hooper, VanHouse, & Co. and adds that there were no deficiencies in Internal Controls, no instances of non-compliance and the audit was clean and complete with no issues. Mr. LaBaff motions to accept the Committee Reports, seconded by Mr. McMahon. Motion carried unanimously.

STAFF REPORT: Patrick Kelly reports the following:

Former Newell Manufacturing Building: Public notice was placed in the local newspapers and posted to the website in request for sealed bids by the St. Lawrence County Property Development Corporation for the next phase of the former Newell building rehabilitation project. The opening of bids is scheduled for later today.

Marketing: External Messaging via Internet: Over the last few months there has been an increase in activity utilizing the enhanced website and social media platforms. Several posts offer information regarding the vaccination process and other Covid-related business information pieces. A few companies have inquired about setting up vaccination sites at their facilities to make it easier for employees to get vaccinated. A recent article published in USA Today highlights the SUNY Potsdam vaccination site and the increase in “medical” tourism it has brought to our area. Other posts offer information about the broadband survey spearheaded by DANC and the quality of life in our region.

Customer Relations Management (“CRM”) Software: One of the proposed marketing expenditures requested today is the implementation of an improved Customer Relations Management (“CRM”) software system to assist with the coordination of economic development outreach activities. As part of our website development process, we have worked with our web development firm to determine how to best integrate social media activities and other efforts to generate leads with enhanced website capabilities. The purchase of a new CRM would require \$10,000 in up-front costs and \$2,000 in renewal costs. Mr. Hall asks if the proposed software would include project management tracking. Mr. Kelly comments that it is an additional capability of the software. Mr. McMahon questions whether there will be the capability to produce contact summaries for the board to review and other reporting information, Mr. Kelly confirms that those capabilities will be available. Mr. Staples enquires about the accessibility of the software beyond staff and board members. Mr. Kelly adds that the initial piece will involve in-house functions only with the possibility of other external options (for example with our local community development partners) as staff becomes more familiar with the software functionality. Mr. Reagen reminds Mr. Kelly of the importance of linking the 32 Towns, 12 Villages and City so web site visitors will know where to go for specific business around the County. Mr. Kelly adds that the site is undergoing continuous updates every week and we should be at a point now where we can reach out to the local municipalities to link to our website. Mr. McMahon motions to authorize the purchase of CRM software, seconded by Mr. LaBaff. Motion carried unanimously.

Lead Generation Services: An outreach to companies that offer lead generation services was conducted last fall and the RFP was awarded to the Elder Group for \$5,000 to reach out to Agriculture and Dairy Processing firms. While that effort is underway, we want to expand the industry search criteria to more than Agriculture and Dairy Processing. Our typical marketing efforts into Canada, while still underway, are severely limited by the border closure as a result of the pandemic. The Elder Group has proposed a cost of an additional \$20,000 to undertake a broader outreach to more sectors. Mr. Kelly mentions that Bob Ahlfeld was recently hired as a Business Development Specialist and part of his initial duties have involved following up on interactions with prospects generated by the Elder Group. At the time we did our RFP two other firms responded. One declined to bid as they were doing similar work for a client elsewhere in New York State, the other bid was significantly higher than the amount proposed by the Elder Group. The responses from the RFP have been discussed with our Attorney and after reviewing our Procurement Policy it is advised that we can move forward with the expanded offer from the Elder Group should the board approve. Mr. McMahon supports the need to increase outreach efforts into other industries and suggests we continue with the services offered by the Elder Group if there is confidence in their ability. Mr. LaBaff motions to increase the marketing budget by \$20,000 to accommodate for the enhanced lead generation services provided by the Elder Group, seconded by Mr. Staples. Motion carried unanimously.

NYS Economic Development Council: The next virtual IDA Academy is scheduled for April 13th. Mr. Kelly asks if there are any board members that are interested in registering for the event. He adds that this is an opportunity for board members to see the changing landscape and regulations required of IDAs.

Reappointment: The term of Lynn Blevins will expire in June 2021. Mr. LaBaff/Mr. Morrill motion/second to recommend to the County Board of Legislators that Mr. Blevins be reappointed for another term. Carried Unanimously.

Solar Projects: Due to the increasing amount of staff time dedicated to the interactions involved in solar projects, and the uncertainty for knowing if projects will close and move forward, Mr. Kelly asks the board to consider increasing the application fee for energy projects. So far, there have been nine solar projects approved and one that has closed. With more projects coming down the pipeline, additional staff time will be required to keep up with the workflow. Mr. Staples asks if \$5,000 is enough to compensate for staff time. Mr. Kelly suggests it is a good starting point and adds that monitoring will continue as we move forward to better evaluate the effects of the increased amount. Mr. Reagen/Mr. LaBaff motions/seconds to increase the fee to \$5,000 for future energy projects.

OLD BUSINESS: None

NEW BUSINESS:

Resolution IDA-21-03-01: Annual Review of Code of Ethics: As mentioned earlier, the Governance Committee reviewed the policy and suggests that the word “director” be changed to “board member” to keep the terminology consistent among policies. Mr. LaBaff motions to approve Resolution IDA-21-03-01, seconded by Mr. Staples. The motion is approved by unanimous vote.

Resolution IDA-21-03-02: Annual Review of Compensation, Reimbursement and Attendance Policy: Mr. Hall, on behalf of the Governance Committee, notes the policy has been reviewed and no changes are recommended. Mr. LaBaff motions to approve Resolution IDA-21-03-02, seconded by Mr. Staples. The motion is approved by unanimous vote.

Resolution IDA-21-03-03: Annual Review of Whistleblower Policy: The Governance Committee has reviewed this policy and recommends no changes. Mr. LaBaff motions to approve Resolution IDA-21-03-03, seconded by Mr. Staples. The motion is approved by unanimous vote.

Resolution IDA-21-03-04: Annual Review of Defense and Indemnification Policy: After review by the Governance Committee, there are no recommended changes to this policy. Mr. LaBaff motions to approve Resolution IDA-21-03-04, seconded by Mr. Staples. The motion is approved by unanimous vote.

Resolution IDA-21-03-05: 2021 Review of Disposition of Real Property Guidelines and 2020 Report of Property: Upon review, the Governance Committee has determined no need for revisions at this time. Mr. LaBaff motions to approve Resolution IDA-21-03-05, seconded by Mr. Staples. The motion is approved by unanimous vote.

Resolution IDA-21-03-06: Authorizing Atlantic Testing Laboratories, Limited Project: Mr. Kelly references the Project Evaluation/Cost Benefit Analysis document that was sent to the members. He highlights Atlantic Testing’s long-standing history in St. Lawrence County and with the IDA. Atlantic Testing Laboratories is currently seeking a bigger, more dynamic drilling rig for their Canton-based drilling operations. Mr. Kelly highlights the project details outlined in Exhibit A and highlights that the employment goal is to increase by two full-time equivalent employees. ATL is known for recruiting from the local colleges for their technical level positions. Mr. LaBaff adds that they are a solid company that could have relocated to another area at different times over the years, but they chose to stay here. Mr. LaBaff motions to approve Resolution IDA-21-03-06, seconded by Mr. McMahon. The motion is approved by unanimous vote.

Resolution IDA-21-03-07: Authorizing Updates to the Personnel Guidelines: As part of a periodic review by the Governance Committee of the employee handbook, the committee suggests revisions that include modifications to the paid leave time available to employees hired after January 1, 2021. The new structure will provide paid leave time on a calendar basis rather than using an accrual system. Mr. LaBaff motions to approve Resolution IDA-21-03-07, seconded by Mr. Staples. The motion is approved by unanimous vote.

Resolution IDA-21-03-08: Authorizing Black Water Solar Project: Mr. Kelly explains the details surrounding the two-megawatt project and adds that the process requires a deviation from the standard PILOT structure. The affected local taxing jurisdictions have reviewed the project and we have received their consent resolutions. However, as part of our ongoing review of other projects around the region and State, it appears as though higher PILOT payments are justified. Mr. Kelly notes that a careful review of the projects is needed to determine the level of assistance needed. Based on the latest project numbers we are now seeing in similar projects; the staff believes a more reasonable rate is typically between \$5,000 to \$5,500 per megawatt rather than the \$4,250 level in the proposed resolutions. As a result, the staff recommends amending the current rate to say \$5,000 per megawatt and provide a sales and use tax exemption of up to \$10,000 per megawatt. If the Board agrees with this change, Exhibit D will be changed to reflect \$5,000 rather than \$4,250 and up to \$20,000 in sales and use tax exemption for the project. The result is a higher PILOT payment and less sales tax exemption, but the project developer has indicated that is acceptable for them to move forward with the projects. LaBaff asks if the formula is the same across the board for each of the projects from this developer. Mr. Kelly confirms that it is the same. Mr. Kelly mentions that the Cost Benefit Analysis will be updated to provide for the higher fees. Mr. LaBaff/Mr. Staples motion/second to amend the resolution to increase the PILOT amount to \$5,000 per megawatt and \$20,000 for sales and use tax exemptions. The amendment is approved by unanimous vote. Mr. McMahon/Mr. LaBaff motion/second to approve Resolution IDA-21-03-08 as amended. The motion is approved by unanimous vote.

Resolution IDA-21-03-09: Authorizing Royal Solar Project: An explanation is given about this 5-megawatt project and Mr. Kelly asks the Board to review the project, considering the same terms as the Black Water Solar Project Resolution. Mr. LaBaff/Mr. Reagen motion/second to amend the resolution to increase the PILOT amount to \$5,000 per megawatt and \$10,000 in sales and use tax exemptions per megawatt. The amendment is approved by unanimous vote. Mr. LaBaff/Mr. Reagen motion/second to approve Resolution IDA-21-03-09 as amended. The motion is approved by unanimous vote.

Resolution IDA-21-03-10: Authorizing Ruler Solar Project: Similar to the previous two resolutions, it is suggested that the terms of this 5-megawatt project are reviewed and considered for amendment. Mr. LaBaff motions to amend the resolution to increase the PILOT amount to \$5,000 per megawatt and \$50,000 in sales and use tax exemptions per megawatt, seconded by Mr. Staples. The amendment is approved by unanimous vote. Mr. LaBaff/Mr. Staples motion/second to approve Resolution IDA-21-03-10 as amended. Motion is approved by unanimous vote.

*Authorizing the Madrid Solar 1 Project: Mr. Kelly announces that information was received from Nexamp Solar yesterday regarding the project, and he recommends the resolution be tabled until we are able to adequately review this information and discuss it with Nexamp. Mr. LaBaff motions to table the discussion, seconded by Mr. Staples. The motion is approved by unanimous vote.

* Authorizing the Madrid Solar 2 Project: Mr. Kelly announces that information was received from Nexamp Solar yesterday regarding the project, and he recommends the resolution be tabled until we are able to adequately review this information and discuss it with Nexamp. Mr. LaBaff motions to table the discussion, seconded by Mr. Staples. The motion is approved by unanimous vote.

*Authorizing the Stockholm Solar Project: Mr. Kelly announces that information was received from Nexamp Solar yesterday regarding the project, and he recommends the resolution be tabled until we are able to adequately review this information and discuss it with Nexamp. Mr. LaBaff motions to table the discussion, seconded by Mr. Staples. The motion is approved by unanimous vote.

*Authorizing the Waddington Solar Project: Mr. Kelly announces that information was received from Nexamp Solar yesterday regarding the project, and he recommends the resolution be tabled until we are able

to adequately review this information and discuss it with Nexamp. Mr. LaBaff motions to table the discussion, seconded by Mr. Staples. The motion is approved by unanimous vote.

*Authorizing the Oswegatchie Solar Project: Mr. Kelly announces that information was received from Nexamp Solar yesterday regarding the project, and he recommends the resolution be tabled until we are able to adequately review this information and discuss it with Nexamp. Mr. LaBaff motions to table the discussion, seconded by Mr. Staples. The motion is approved by unanimous vote.

Mr. LaBaff asks how the larger solar project is coming along in the Massena area. Mr. McMahon states that it is still moving forward and going through the approval process. It is a much larger solar project, about 180 megawatts.

*Resolution IDA-21-03-11: Accepting the FY2020 Audit: Mrs. Gilbert note that the budget modification that will be presented in an upcoming meeting will adjust the FY2020 budget to year end numbers. Mr. LaBaff motions to approve Resolution IDA-21-03-11, seconded by Mr. McMahon. The motion is approved by unanimous vote.

FY2020 Annual Report for PARIS: Mr. Kelly provides an annual finance and project review consisting of 25 active IDA projects. Prior to today's meeting, a draft copy of the PARIS report was provided to each board member, in addition to a summary sheet highlighting each individual project. Mr. LaBaff leaves the meeting at 10:00 AM. Mr. Kelly reviews the spreadsheet, highlighting each of the individual projects. The report is ready to be certified in the PARIS reporting system. Mr. McMahon notes that the job numbers look good considering the impact of the pandemic over the past year. Chris Canada exits the meeting at 10:26 AM. Mr. Staples and Mr. McMahon suggest initiating a conversation regarding The Quarry project to discuss the recapture of the excess Mortgage Recording Tax exemption utilized by the project. Mr. Hall thanks Mr. Kelly for providing such a detailed summary of the projects that is easy to follow. Mr. Reagen states that this report is a real testament of the hard work brought about by the IDA staff during the pandemic. Staff have done well expanding the tax base and improving the economic climate considering these challenging times. Mr. Kelly adds that it was a challenging year, but the IDA staff members been adaptive, flexible, and available to assist companies and he commends them for their efforts.

Mission and Performance Report: In order to highlight the efforts that went into assisting businesses during the COVID pandemic, Mr. Kelly highlights the first half of the report outlining our pandemic response efforts. He adds that each of these reports reviewed today will be forwarded to the St. Lawrence County Board of Legislators in the next few days. Mr. Kelly adds that the resiliency of businesses and employees was astounding in light of what they have been through and continue to go through due to Covid.

Mr. Hall thanks Mr. Kelly for serving as Chairman of the New York State Economic Development Council over the past year. He adds that this role expands our portfolio across the State and should be recognized.

EXECUTIVE SESSION: None

ADJOURNMENT: A motion to adjourn is made by Mr. Staples, seconded by Mr. Morrill. The meeting adjourns at 10:39 AM by unanimous vote.

*At the 08/23/21 SLCIDA meeting, changes were authorized to the 03/30/21 minutes to remove the resolution numbers from the tabled discussions, and to reset Resolution IDA-21-03-11 in the appropriate numeric sequence.

(Mr.) Lynn Blevins, Secretary