

UCIDA

Ulster County Industrial Development Agency

ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES July 10, 2019

A regular monthly meeting of the Ulster County Industrial Development Agency was held on Wednesday, July 10, 2019, at 9:00 A.M. at SUNY Ulster, 94 Mary's Avenue, Room 210, Kingston, NY.

Roll Call:

The following agency members were present:

Randall Leverette	Chair
Faye Storms	Vice Chair/Assistant Treasurer
Michael Ham	Secretary
Paul Andreassen	Assistant Secretary
James Malcom	Member
Daniel Savona	Member

The following agency members were absent (with notice):

Richard O. Jones	Treasurer
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UCIDA Attorney and Bond Counsel:

A. Joseph Scott, III, Esq.	Agency Counsel
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Additional Attendees:

Rose Woodworth	Agency Staff
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The meeting was called to order at 9:00 A.M. by Chair Randall Leverette.

Attorney Scott read the roll and noted that a quorum was present.

READING OF THE UCIDA MISSION STATEMENT

The mission of the Ulster County Industrial Development Agency is to advance the job opportunities, general prosperity and long-term economic vitality of Ulster County residents by targeting tax incentives, bonding and other assistance to foster creation and attraction of new business and the retention and expansion of existing business.

MINUTES

Motion: James Malcom, seconded by Michael Ham, moved to approve the minutes of the June 12, 2019 meeting. A copy of said minutes is on file.

Vote: The motion was unanimously adopted.

FINANCIALS

Executive Director Rose Woodworth presented the financial report to members due to Richard Jones' absence. For the IDA, the only activity for June was administrative fees and interest income. For the CRC, there was only interest income.

Motion: James Malcom, seconded by Faye Storms, moved to accept the monthly financial report, as presented.

Vote: The motion was unanimously adopted.

CHAIR'S REPORT

Chair Leverette presented his Chair's Report, a copy of which is attached. As part of his report, the Chair reported on the following:

- A. Ulster County Final Payment Agreement – The Chair reported that the contract was signed with the county for retained document handling, the fees owed were hand delivered, and a paid receipt is on file.
- B. Skoufis Letter – The Chair noted that the report was due on June 28, 2019 and thanked Attorney Scott for his work in compiling and submitting the report on time.
- C. Authorities Budget Office (ABO) – The Chair reported that the ABO sent an inquiry due July 5th, 2019, for confirmation of figures relating to the financing of Woodland Pond. The information from EMMA matched PARIS, and both Rose Woodworth and Attorney Scott confirmed. The ABO thanked us for confirming the data.

- D. Audio Policy – The Chair noted that the Audio Policy was approved last month and is now posted on the website.
- E. Christopher J. O'Connor CPA – The Chair explained that the fee is due at the 1st of each month, which is prior to monthly board meetings. The Chair wanted to inform the board that he executes these checks outside of board meetings.
- F. Inness NY, LLC – The Chair reported that the application has been revised, but there are still some questions that need to be addressed.
- G. Chief Financial Officer – The Chair reported that the bylaws require the Agency to have a Chief Financial Officer. Rose Woodworth has been tasked with finding candidates to fill the position at a reasonable price.
- H. Call for Projects – The Chair noted that this is a continuing discussion which Rose Woodworth will elaborate on further in her Executive Director's report.

COMMITTEE REPORTS

Audit Committee

No report.

Finance Committee

No report.

Governance Committee

Paul Andreassen, Chair of the Governance Committee, reported that the Governance Committee had to cancel their meeting scheduled for June 19, 2019. The next meeting is set to be held on Monday, July 22, 2019. Future meetings will be held immediately following regular board meetings.

EXECUTIVE DIRECTOR'S REPORT

- A. Website – The Executive Director reported that the audio recording for the June 12, 2019 board meeting has been uploaded to the website. The disclaimer stating that the recording has not been edited in any manner was added below the recording. The Executive Director advised the board that she is awaiting a quote from Cody at Query Creative to upload all of the historical documents to a designated page for the UCCRC.

- B. Background Checks – The Executive Director reported that there is no precedent outlined for background checks, but that she and Attorney Scott believe that they should focus on criminal record, bankruptcies and bank loan defaults, controversial news stories or social media presence, labor disputes, judgements, other projects and real estate and income tax liens. Further discussion is required to outline who should be subject to the background checks. A proposal from NextGen will be reviewed during executive session.
- C. Call for Services – The Executive Director reported that she is researching new options to build upon the concept of Call for Services so the IDA funds can be used to further the Agency’s mission. Some possible ideas include:
- Council of Industry – The Council is a not-for-profit organization whose mission is to promote the success of its member firms and their employees, and through them to contribute to the success of the Hudson Valley Community. They provide training programs, job postings, and networking for the manufacturing industry.
 - Hudson Valley Community College – HVCC is in the process of completing an advanced manufacturing center and working to double their enrollment in its advanced manufacturing technology program to meet an urgent workforce demand for skilled labor. It is the only community college training program of its kind with 125 miles of Troy and has a 100-percent job placement rate for graduates.
 - Ulster County Community College – UCCC has a new advanced manufacturing pre-apprenticeship program as well as various continuing education courses for advanced manufacturing.
 - Ulster BOCES – They offer career education classes for adults as well as high school students. They offer programs that include manufacturing technology and more.
 - Galileo Technology Group – Faye, Randall, and Rose went through the Accelerator Without Walls proposal from last year and worked to narrow down the services that the Agency could obtain. The Agency hopes to obtain a database of manufacturing companies in Ulster County with sortable details and a strategic review of these companies.

After discussing the possible options, the board proposed reaching out to the Office of Economic Development for more information.

- D. Board Meeting Materials – The Executive Director thanked Attorney Scott and his staff for stepping in and performing the administrative duties during the interim period. This month, the Agency’s staff compiled all meeting materials and will continue to do so. In the future, the goal will be to get all meeting documents out to the board members one week prior to the meeting so they have time to review the materials. The Executive Director requested that all documents be submitted by the Monday during the week prior to the next meeting. If the documents are not yet available, they will have to be included in the agenda for another meeting.
- E. Miscellaneous Updates –
- The Executive Director has begun working with Jeremy Ellenbogen, of Ellenbogen Media, to set up a meeting to move forward on the informational video showcasing the IDA’s services and incentives. The contract to produce this video was signed in October 2018.
 - The liability insurance was paid in full, instead of bi-monthly, to avoid the \$6 installment fee for each installment payment.
 - Thirty-two bankers’ boxes of IDA and CRC files were moved from Rick Jones garage and are now being stored by agency staff at Christopher J. O’Connor, CPA’s office.
 - The Executive Director has facilitated a move for both the IDA and CRC accounting records from Excel to QuickBooks. Checks will now be printed directly from QuickBooks to ensure that no checks are missed in the monthly reconciliations and reports.

OLD BUSINESS

Resolution regarding Administrative Fees

A copy of the resolution is attached. The board was presented with the new schedule of late fees regarding the filing of annual reports by project applicants. The new schedule proposes a \$500 late fee if filed after January 31, but on or before February 15. A \$750 late fee if filed after February 15th but on or before February 28. And a \$1,000 late fee if filed after February 28. Due to many issues that surround report submission, the board discussed specifying that information must be complete and accurate.

Motion: James Malcom, seconded by Paul Andreassen, moved to accept the Resolution regarding Administrative Fees with the addition of language specifying that information must be complete and accurate.

Vote: The motion was unanimously adopted.

Status of Pending Projects

- Star Estate Development Group, LLC – They have closed on the first of two bank closings. They expect the second closing to occur this month. IDA fees will be paid upon completion of the second bank closing.
- Wildberry Lodge, LLC – No change.
- Kingston Medical Assignment – Attorney Scott communicated the IDA’s position on the claw back and they accepted. He anticipates closing this month.
- Inness NY, LLC – Application has been revised, some questions are to be addressed.
- Brooklyn Bottling Project – Action today: Preliminary consideration by full board for public hearing.

NEW BUSINESS

Brooklyn Bottling of Milton NY, Inc.

Chair Leverette introduced Mike Bonforte, Regional Controller of Brooklyn Bottling, and its attorney, Christine Konefal. Mr. Bonforte began with a brief history of the company which was started about fifty to sixty years ago in Brooklyn. The current owner, Eric Miller, inherited the company from his father. In 1992, Eric Miller purchased a production facility with on-site storage in Milton, NY. Then, in 2012, he bought a warehouse in Marlboro. Currently, they mainly produce energy drinks but also produce water and have a cannabidiol drink on the horizon. While the production of drinks is based primarily in Milton, the company has distribution centers in many locations in the United States and has begun expansion into Canada. They also produce food under the label Iberia Foods, and those production facilities are located in Florida and Georgia.

The reason for the PILOT is to add a 52,000 square foot warehouse to the location in Marlboro. The cost of the project is \$4 million. After reviewing the application, James Malcom raised the concern that the 60 construction jobs that would be generated would be filled with residents of Schenectady, the location of the contractor. Later in the meeting, Michael Ham pointed out that they need to revise page 14 of the application, and check “no” to the question “Does the Applicant utilize contractors who use construction labor from Ulster, Greene, Delaware, Sullivan, Orange, Dutchess or Columbia counties?” The board then inquired about the status of the project with the town planning board. Mr. Bonforte shared that they just received SEQR approval from the planning board in Marlboro with negative declaration. They have two or three meetings to go before final site plan approval. The property is 21 acres, so there is plenty of room to expand. The environmental impact has also been deemed low.

With regards to hiring, Mr. Bonforte believes they will hire 26 people but indicated 20 on the application to be conservative. Four to five of those positions will be filled by forklift drivers immediately. Currently, they have four production lines running in Milton. They have room for two more production lines and also have customer demand to warrant expansion. They are also starting to obtain more long-term contracts, which is what is another factor that is prompting them to seek out a way to expand.

Faye Storms pointed out the low income listed for current employees and indicated that the salary is not adequate to sustain normal living. Mr. Bonforte countered by stating that they do offer overtime opportunities to all employees. Mr. Bonforte also informed the board that all employees are entitled to a benefit package, and that most employees in the warehouse are union workers. The warehouse runs three shifts and there is a slight shift differential. The Chair shared that he did not believe that a salary of \$13 to \$16 thousand per year worked toward the Agency's mission of improving the life of the county's residents. After a lengthy discussion, it was determined that the application must be incorrect, and the salaries listed needed to be revised. James Malcom suggested that the board compile a list of questions to be emailed to the applicant.

Motion: James Malcom, seconded by Michael Ham, moved to submit questions to the Chair, who will then forward them to Attorney Scott to look over and then send over to the Applicant.

Vote: The motion was unanimously adopted.

The board then considered a resolution authorizing the Agency to hold a Public Hearing with respect to the Project. During the discussion relating to the resolution, the board agreed that any public hearing would not be held until the questions prepared by the Agency for follow-up of the meeting's discussion with the project applicant were satisfactorily completed by the project applicant.

The board then considered the following resolution.

RESOLUTION AUTHORIZING THE AGENCY'S STAFF TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF BROOKLYN BOTTLING OF MILTON NY, INC.

Motion: Paul Andreassen, seconded by James Malcom, moved to adopt the resolution authorizing the agency's staff to hold a public hearing regarding a proposed project to be undertaken for the benefit of Brooklyn Bottling of Milton NY, Inc. (A copy of said Resolution is on file.)

Vote: The motion was unanimously adopted.

EXECUTIVE SESSION

Motion: Faye Storms, seconded by Danny Savona, made a motion to go into Executive Session for the purpose of discussing current litigation; and to review the financial and employment history of a proposing firm as a possible vendor for the agency in the area of background check services for project applicants.

Vote: The motion was unanimously adopted (6-0).

The board then went into Executive Session at 10:45 A.M.

Motion: Faye Storms, seconded by Paul Andreassen, made a motion to come out of Executive Session.

Vote: The motion was unanimously adopted (6-0).

The board came out of executive session at 11:20 A.M.

No action was taken during the Executive Session.

After some discussion regarding background check services, the following motion was made:

Motion: Danny Savona, seconded by James Malcom, made a motion to utilize the standard records search, with the addition of Department of Labor and Workers' Compensation information, for the standard fee of \$199.99 plus court and clerk fees (to be collected up front).

Vote: The motion was unanimously adopted (6-0).

PUBLIC COMMENT

Public comments were received as follows:

Press asked about adding a timestamp to accompany the recordings that are posted online so it is easier to navigate between topics. Randall explained that going forward, after each meeting staff will update the agenda to include a timestamp next to each heading.

ADJOURNMENT

Motion: James Malcom, seconded by Michael Ham, moved to adjourn the meeting.

Vote: The motion was unanimously adopted.

The meeting was adjourned at 11:26 A.M.

Respectfully submitted,

Michael Ham, Secretary