

Allegany County Industrial Development Agency
MONTHLY MEETING

October 08, 2020

Crossroads Conference Center, Belmont, New York 14813

OPENING REMARKS

- Chairman Ewell called the Board meeting to order, by teleconference, at 10:00 AM.
- The Chairman asked the Board members if anyone had any conflict of interest or conflicts regarding the agenda. There were no questions or discussion.
- Present: Rich Ewell, Judith Hopkins, Mike Johnsen, Randy Shayler and Doug Frank and Ward "Skip" Wilday, by phone.
- Others present, in person: Dr. Craig Clark, IDA Executive Director, Pam Common, the Secretary to the Director of Planning-recording secretary and Ryan Cummings, Attorney.
- Live streaming on YouTube at: <https://www.youtube.com/watch?v=6J5EXEeXJY4>

The Chairman, R. Ewell stated, although this is not on the Board agenda, the Board has received a letter, from Cathleen Whitfield, regarding her resignation. When she retired from her county employment, in January, 2020, she agreed to stay on to complete the 2019 Paris reporting which has been completed. We would like to let everyone know, we received her letter of resignation.

The Chairman, R. Ewell, also had another item, not on the agenda, thanking P. Common regarding the work she did, setting up the credit accounts, for our waterline. He thanked her for taking on the job, contacting the creditors, getting all the agreements signed and the accounts approved. The Board appreciates all her help. This will make the job easier for Oakley Sortore and the ACUC.

P. Common acknowledged the appreciation shown by the Board.

EXECUTIVE SESSION

- At 10:02 AM, M. Johnsen motioned, and J. Hopkins seconded, to enter into Executive session for attorney-client privilege. The motion was carried by all members present, with a vote of 5-0.
- At 10:34 the Executive Session ended.

BOARD MINUTES

- A motion was made by J. Hopkins, seconded by M. Johnsen and, carried by all members, to approve the September 10, 2020 Board meeting minutes. All members were in favor, 5-0, with no one opposed.

TREASURER'S REPORT

- **Abstract** –A motion was made by J. Hopkins and, seconded by D. Frank to approve the Abstract report. R. Shayler had a question regarding Bolton St. John's role, for the IDA. C. Clark states Bolton St. John is continuing to work with us, getting monies from the state, regarding the extra 5 million dollar funds. All members were in favor by a vote of 5-0, with no opposition or further comment.

- **Banking & Financial Summary-** A motion was made by M. Johnsen and, seconded by D. Frank to approve the banking & financial summary, by a vote of 5-0, with no opposition or further comment.

MAINTENANCE REPORT

- **ACIDA building roof replacement-**This item has been moved up from the New Business section of the Agenda, by the Chairman, R. Ewell.
C. Clark stated, when he took over the IDA, Jack Wood had gotten some prices, for the roof replacement, generally between 40-50 thousand dollar amounts. We anticipate that same number or numbers close to that amount. The prices have gone up some but, he can't imagine the prices being over 50-60 thousand dollars. Obviously, it has been something that needs to be done. Steve Thorpe has been doing a great job fixing any leaks but, we continue to have 4 or 5 leaks over the winter. The under layer sheathing is fine. There was an inspection of the roof and, there are a few places that need to be replaced. Most of the roof is in very good shape and actually, has nice plywood. We will replace it, in the areas, where we have to. It should not be too much. Everything is ready to go. Clark Patterson did the bidding document, which has been reviewed a couple times. The only thing left, is to discuss the insurance information. We will, then, get bids over the next two weeks. Probably, the same contractors who bid before will bid again.
Chairman, R. Ewell spoke, regarding insurance limits. The IDA is not going to be able to do a 60 thousand dollar roof, without all the insurance requirements. If someone falls from a height or something falls on someone, gravity related, the owner is strictly liable. That means the IDA would be liable if one of the employees gets hurt. It is better if the contractor has worker's comp but, it is also better to have the proper contracts in place. We have to make sure there are adequate insurance coverages for that contractor. They, typically, do not have a lot of cash in the bank, if the one or two million dollars insurance coverage runs out. What should be the coverage amount?
M. Johnsen had a question regarding the insurance coverage and, the direct responsibility of the IDA. Would the contractor's insurance cover an accident?
R. Ewell stated, yes, you would have to be listed as an additional insurer, on the contract and have the agreement signed ahead of time. We can use the contractor's insurance to insulate ourselves but, if you have a contract in place, it will fill the bridge of coverage. The roof is not very high so, I will need direction on this.
M. Johnsen states, the coverage should not be so high as to prevent contractors from submitting a bid.
R. Ewell doubts most local roofers have a 5 million dollar limit. He will work with Ryan Cummings regarding coverage. He requests information, from the Board, with their thoughts by email, so it can be brought back to the Board to finalize.
C. Clark asked for a time frame to get the insurance information out to the Board and a date to start the project. When can we get the documents out, with the appropriate insurance?
R. Ewell states he would like the project done before winter, if possible.
M. Johnsen states the bids should be out before spring, when the contractors are looking to schedule for spring projects.

C. Clarks asked, regarding a time frame to get the contract out there. There are some contractors that would bid to get it done this year.

R. Ewell says, the spring may be a better option due to the high cost of construction materials, this time of year.

C. Clark is concerned about maintenance before winter and notifying Steve Thorpe of any roof repairs before winter starts.

R. Ewell asked the Board if they had any strong feelings about when the roof project should be done, now or spring?

M. Johnsen states he would like to see the project done now. Let's get it out before the contractors are lining up their jobs for next year.

R. Ewell agreed and stated he will work with C. Clark to get the bid completed and send it out as a document, to the Board.

NEW BUSINESS

➤ **Amended PILOT Deviation Letter Resolution-Hume-Wiscoy Solar I –**

C. Clark states the developer is asking to go with a 30 year PILOT, with the same number of 25 hundred dollars, with a one percent escalation. This is what we are discussing right now, with the Town of Hume, town Board. He has spoken with one town board member and the supervisor. They are negotiating a similar type of number, as well as, time and escalation. The reason the developer wants 30 years is because most of these projects will be up for 20-30 years, versus the 15 years we have in there. C. Clark thinks it is a good thing to do. We have more of a guaranteed price structure, for a longer period of time. There is not much down side. If we had to negotiate, after a longer period of time, then, they could come back and say it was not worth nearly as much, because it is not producing, after the project has been running. Most parties will be happy and it makes sense.

R. Ewell sates, if the Town of Hume is in support, we will send the deviation letters out.

C. Clark states we will have to set up another public hearing. If there is an issue with it, they will let us know.

R. Shayler states, when they talk about 2,500 dollars, per megawatt capacity, is the intent to go up to 5 megawatts.

C. Clark states there are two 5 megawatt projects. It would be \$2,500 times five, for each project.

R. Shayler also asked, if they do not fully build out the project, then what is the \$2,500 multiplied against?

C. Clark states the \$2,500.00 is multiplied by how big they build the project, to begin with. So, if the project is 4.5 mw, it would be multiplied by the 4.5 amount of megawatts.

R. Shayler asked, what is the efficiency of the solar panels? There tends to be degradation, over time. The efficiency of the solar panels would not come into play?

C. Clark states that is correct, as it has nothing to do with production or efficiency.

A motion was made by M. Johnsen and seconded by S. Wilday, to approve the **Amended PILOT Deviation Letter Resolution-Hume-Wiscoy Solar I**, for the Hume-Wiscoy Solar I project. The resolution was carried by a 5-0 vote, with no opposition.

J. Hopkins states she didn't motion because it is in the township where she lives. She doesn't feel the need to recuse herself but, she didn't want to be the lead on it.

Voice call results are, as follows:

J. Hopkins---Aye M. Johnsen---Aye R. Shayler---Aye
D. Frank-----Aye S. Wilday-----Aye R. Ewell-----Aye

- **Amended PILOT Deviation Letter Resolution-Hume-Wiscoy Solar II**
A motion was made by D. Frank and seconded by M. Johnsen, to approve the **Amended PILOT Deviation Letter Resolution**. The resolution was carried by a 5-0 vote, with no opposition or further discussion

Voice call results are, as follows:

M. Johnsen-----Aye R. Shayler----Aye D. Frank----Aye
S. Wilday-----Aye J. Hopkins----Aye R. Ewell----Aye

OLD BUSINESS

Solar Projects – Dr. Clark sent the Board updated spreadsheets, for the solar project, by email, before the meeting. We did close on the Rushford project on the 23rd of September. The Burns project should, hopefully, close within this next week. The Angelica Belfast project will not start construction until next year. We have had discussions with Oya, trying to prod them but, they are dealing with financing so, once that is in place, they should be closing all three projects, in the near future. The Wellsville project has finalized the host agreement and will close in the near future. We have a new project, through Distributed Sun, who is doing the Hume-Wiscoy project. They are proposing a similar project, in Rushford. There is no PILOT application and C. Clark told them they need to get that done before any discussion on that. He is unsure of the size, 5 megawatts or 2 but, the company hasn't told him the scope of it.

J. Hopkins noticed a fee, coming in from the Rushford project and wants to know if we have received any other PILOT fees. C. Clark states the Angelica-Belfast project paid before they closed. The Burns project is paid and no one else is paid to date. Typically, the fee is paid before closing. M. Johnsen states he has taken a ride by the Burns project and they are actively under construction.

D. Frank stated, there was an article in the Olean paper regarding Portville, with two solar projects. One of the Board members, Joseph Snyder, asked a question regarding what guarantee would the town have on the decommissioning of the projects. There were many comments about a bond for decommissioning. Have we thought about that?

C. Clark states all the towns have solar laws regarding bonds and decommissioning. They have taken care of that. The first one was Angelica-Belfast and they did that and after that, everyone has done the same solar law, which contains the decommissioning. We do not have to get involved in the decommissioning. It is up to the town and should have that in their solar law.

5744 County Road 20 Travel Center (Quicklee's) – Dr. Clark states Quicklee's is very busy there. Their sign is on I-86 and Ken has told him, he is very pleased he is doing well in advance of what he thought for the whole year, during this short period of time.

J. Hopkins states the large sign is pretty impressive and can be easily seen, in all directions.

C. Clark states, at lunchtime, it is usually completely full, with both trucks and cars.

Microenterprise Grant - Dr. Clark states we have sixteen people that are interested, between the two training programs, through Accord and Incubator Works. And, there are more, probably 20 different, small companies interested in the Microenterprise grant. We will be getting full grant applications to the Board and we are talking with our administrator about that. We would like to have the applications completely vetted and viewed, before the Board gets them. By the next Board meeting, we should have five or six full applications.

J. Hopkins asks if the Board will get them in advance of the next meeting. C. Clark states, yes, but, first we want to make sure the applicants have met all the requirements of the grant.

Project Block update-C. Clark states we continue to work with that company on the expansion project. Hopefully, in the near future, they are going to announce which site they have decided on, in Allegany County.

Alliance PILOT- C. Clark states he has been talking to Dan and he is gathering the right information from the town. The county has already given him the information, from their prospective, regarding that PILOT. Now, the courts are open and, in short order, Dan will be filing in court to try to get as much of that PILOT money back to all the parties possible.

J. Hopkins asked about the legal fees. Will they be coming out of the settlement?

C. Clark states they will and, Dan is representing all the parties, the school, the town, the county and the IDA.

NEW BUSINESS-NONE

CALENDAR

Next Meeting: November 12th @ 10:00 A.M, at
The Crossroads Commerce Center, Belmont, NY

GOOD TO THE ORDER-NONE

ADJOURNMENT

With no further business, a motion to adjourn, at 11:00 AM was made by S. Wilday, seconded by J. Hopkins; with all in favor and no one opposed, by a vote of 5-0, the meeting was adjourned.

Respectfully submitted
Pamela Common, Recording Secretary