

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING

April 11, 2016 – 8:00 a.m.

County Planning Offices #5

50 West High Street, Ballston Spa

PRESENT: Members: Chairman Rod Sutton, Mary Beth Hynes-Walsh, Arthur Johnson, Glenn Rockwood, Phil Klein, and Michael Mooney.

STAFF & GUESTS: Richard Ferguson, CEO; Michael J. Toohey, Esq., Counsel to the Agency; James A. Carminucci, Esq., Bond Counsel; Michael Valentine, Administrative Assistant; Mr. Vanags, Saratoga Prosperity Partnership; Dennis Brobston, SEDC; Ryan VanAmburgh; SEDC; Robin Cooper, *Capital District Business Review*; Steve Williams, *Schenectady Gazette*; and Lori Eddy.

ABSENT: Andrea Di Domenico.

Chairman Sutton called the meeting to order at 8:00 a.m.

APPROVAL OF MINUTES:

Chairman Sutton asked if there were any additions or corrections to the March 14, 2016 meeting minutes. There being none, Chairman Sutton asked for a motion to approve the minutes. A motion was made by Mr. Klein to approve the minutes and it was seconded by Ms. Hynes-Walsh. All were in favor and the minutes were approved 4-0.

APPLICATION WITHDRAWAL; JOHN W. DANFORTH COMPANY:

Chairman Sutton stated we had an application for John W. Danforth Company which was withdrawn for revision. Chairman Sutton asked Mr. Brobston to give an overview of the application for information purposes. Mr. Brobston stated the client called SEDC on Friday and stated they have now decided to grow the expansion. Mr. Brobston stated to them that SEDC couldn't get the application changed fast enough for today's meeting. We asked them to hold off until May, they agreed to that. They understood that it was a last minute opportunity for them too. They thought they would give us a call and let us know. We do expect to have the application to you in a couple of weeks. Mr. Valentine stated we would have to leave SEQR out then because at that point it would have to be revisited as an addition. Mr. Brobston stated the application is going to change. Chairman Sutton asked if this was going to change. Mr. Brobston stated that it would, it will increase in size. Chairman Sutton stated we met with them back in February at the subcommittee meeting, so he thinks they would need to reconvene on that. Chairman Sutton asked if the IDA could be given a fair amount of time. Mr. Brobston stated he will get the information out. Chairman Sutton stated we are probably going to have to revisit this, the application as well. Once we take a look at the application, we will have a better sense of what it is. Mr. Brobston stated all he expects to see is the project construction increasing, the square footage, and they may add some more jobs for all he knows. Chairman Sutton stated the PILOT would change significantly. Mr. Brobston stated yes, it was a five year PILOT starting at 50%, it was a

reduced PILOT, different from past experience. During this Directors Johnson & Mooney entered the meeting.

Fortress Partners, LLC; Authorize Execution of Refinancing Documents (Creatacor):

Mr. Carminucci stated they received a communication Friday that Fortress Partners is refinancing a certain loan including a mortgage on 10 Enterprise Avenue which is a property that is leased to Creatacor. That is a current IDA project and because the IDA has title, we have been asked to execute the necessary mortgage documents. They are not asking for any type of abatement such as mortgage recording tax or anything. It is just a question of execution of mortgage loan documents. We did this about approximately two years ago when they last refinanced the property and they are doing so again. The current loan is held by First Niagara and he thinks they are going with Chemung Canal Trust Company.

Chairman Sutton asked for a motion to authorize the Chairman to sign the execution of refinancing documents. The motion was made by Mr. Mooney and it was seconded by Ms. Hynes-Walsh.

RESOLUTION #1317

RESOLVED THAT the Saratoga County IDA has decided to authorize the Chairman to sign the execution of refinancing for Fortress Partners, LLC (Creatacor). The results of the roll call vote were as follows:

AYES: Mr. Johnson, Ms. Hynes-Walsh, Mr. Mooney, Mr. Klein, Mr. Rockwood, and Chairman Sutton.

NOES: None

ADOPTED: 6-0

Approval and Acceptance of Year-End Audited Financial Statements:

Chairman Sutton asked Mr. Ferguson to discuss the agenda item on the acceptance of year-end audited financial statements. Mr. Ferguson stated that the New York State Authorities Budget Office requires that on an annual basis the IDA Board members approve and accept the year-end financial statements and the Auditor's management letter. This information was provided to you at the March meeting and also electronically. Mr. Ferguson asked if there were any questions on the audited statements. Mr. Ferguson asked for a motion and resolution to approve and accept the audit.

Chairman Sutton asked for a motion to approve and accept the year-end audited financial statements. The motion was made by Mr. Rockwood and it was seconded by Mr. Johnson.

RESOLUTION #1318

RESOLVED THAT the Saratoga County IDA has approved and accepted the year-end audited financial statements as presented. The results of the roll call vote were as follows:

AYES: Mr. Johnson, Ms. Hynes-Walsh, Mr. Mooney, Mr. Klein, Mr. Rockwood, and Chairman Sutton.

NOES: None

ADOPTED: 6-0

Approval and acceptance of Two-Year Engagement Letter for Audit Services: Cusack & Company:

Chairman Sutton asked for a discussion on the agenda item of approval and acceptance of the two-year engagement letter for Audit services (Cusack & Company). Mr. Ferguson stated we discussed this briefly at the last Board meeting. Subsequent to that, we have received a proposed engagement letter for Audit services. IDA's are required to competitively bid audit services every five years and we've used Cusack & Company for the last 3 years. That is why the engagement letter is written for a two year period. The fee that was charged in 2015 was \$4,350. They are proposing \$4,400 for 2016 and \$4,500 for 2017. We also received subsequent to this, and we forwarded it to Bank Counsel and Bond Counsel, a New York State Authorities Budget Office report on IDA procurement and review of competitive selective practices. Mr. Ferguson will forward this report to everyone by email. Although we have two years in which we can sign this engagement, he recommends and his thoughts are that we competitively bid this, keeping in spirit with the new regulations and recommendations. Mr. Mooney stated this is something new that they want you to do. Professional services usually were exempt from competitive bidding. Mr. Carminucci stated you are and what this is they made a study of various IDA's and they found that those that were not competitively bid could have saved money. They (ABO) are suggesting you might want to do that, but you are correct, you are not required, it is a recommendation not a requirement. Ms. Hynes-Walsh asked how many years has it been since it was bid out or has it ever been bid out. Mr. Ferguson stated it was three years ago. Mr. Toohey stated that is where we got the five year window. Our assumption was that we would do that about every five years. The thought process back then was we develop a relationship with someone who understands the systems that we have keeping them as a possibility for that time period. It does two things; it gives them expertise but also has us honoring the idea that we should be bidding these things. Mr. Ferguson stated he would prefer to use Cusack, the process went smoothly, but he is thinking that we might err on the side of caution in spirit with the ABO.

Mr. Mooney stated he didn't think it would hurt to get other quotes. At that price, he doesn't think any savings would be dramatic. Mr. Ferguson stated with what they charge us, when you look at the report, it is dramatically less than what other local IDA's are being charged by half. Mr. Valentine stated we had gone through the process three years ago. Ms. Hynes-Walsh asked if we had switched from somebody else to Cusack at that time. Mr. Valentine stated we had a previous auditor, Mr. Gulka. He was tied into the five year engagement which allows you to have another auditor in charge within that firm to pick up. He had been with the IDA for quite a while. Then there was a bidding process going and there were some really astronomical prices that came in. Cusack, as Mr. Ferguson has said, for the last three years, just very easy to pull the stuff together. He has all of the information and takes it and goes back to his office. Not to say he is deficient, but it is just that once he's got everything, he knows the questions ahead of time and he sends his questions in and we send items back to him. Mr. Ferguson stated it appears from his conversations with him, that he has a specialty in his practice of auditing IDA's, so he thinks he is an industry leader. Mr. Ferguson wants our actions to be beyond reproach. His thoughts were if you choose to bid this, there are two local CPA firms that we could ask, Flynn, Walker and Fredette and Sankowski.

Mr. Klein questioned by putting this out to bid are we obligated, because of the fact that it is professional services, we are not obligated to take the absolute low bid. Mr. Toohey stated that is right. Mr. Klein does not see a problem with that. Mr. Toohey further stated one of the other ways you can look at that, this is a request for a two year engagement letter as we are transitioning into this kind of system where we are maybe wanting to do this more often. Is there any thought of saying we are going to continue the system we have right now for one more year but at the end of this year, send it on out so that we shorten it, figure out how to do it better, maybe there are some other firms you may want to

consider. If you are looking for a middle ground, that is it. Mr. Carminucci stated the five year requirement is that you switch auditors every five years, it can be the same auditing firm, just the auditor has to change. Chairman Sutton asked if Mr. Ferguson was looking for a motion to accept the Cusack agreement at this point to continue on for the two year period. Mr. Ferguson stated he is fine with continuing with the two year engagement, he just wanted to share his thoughts. You can move to accept that, and he has the agreement, we sign it and we are done.

Chairman Sutton asked for a motion to accept the Cusack agreement at this point. Mr. Klein asked if this was for a two year period. The motion was made by Mr. Mooney and it was seconded by Mr. Johnson.

RESOLUTION #1319

RESOLVED THAT the Saratoga County IDA has accepted the Cusack agreement for a two year period. The results of the roll call vote were as follows:

AYES: Mr. Johnson, Ms. Hynes-Walsh, Mr. Mooney, Mr. Klein, Mr. Rockwood, and Chairman Sutton.

NOES: None

ADOPTED: 6-0

Authorization of payment of Leonard Bus IDA Fee Split to SEDC:

Chairman Sutton asked Mr. Ferguson to discuss this agenda item. Mr. Ferguson stated on April 29, 2011, the County IDA closed on SCNC, LLC Leonard Bus project with an IDA fee collected at \$26,561.25. On March 25, 2016 we received an email from Dennis Brobston indicating that after they reviewed their records, the fee split payment which would have been \$13,280.63 was not paid. Mr. Ferguson and Mr. Valentine independently reviewed our financial reports and our check register and confirmed that the payment to SEDC had not been made. Mr. Ferguson would request that the Board move and resolve to approve the fee split of \$13,280.63 payable to SEDC. Mr. Mooney questioned how does that work, do we automatically pay it or do they invoice us? Mr. Valentine stated that we have a fee split due them, it is set up in the budget. In some cases, Mr. Brobston will send a letter of reminder and we keep it in a file. Mr. Klein questioned how did this not make it into our books. Was it just an oversight in the beginning? Mr. Valentine stated the check ledger showed that there was a check issued to the IDA, deposit made, and there just was no follow-up split fee payment. Mr. Toohey stated that even on auditing, unless they recognize that there is a mandatory payment system coming out of the thing, the money coming in balance the money that was there. Mr. Valentine stated this was old enough that the audit that was just finished in April, they would have caught it if it was within the year, but they reviewed 2013/2014. Mr. Klein questioned if it was normal procedure to have an invoice submitted. Mr. Valentine stated it is customary, we know we have a fee split. Mr. Carminucci stated and they don't typically know a closing has occurred. Mr. Klein questioned whether to Mr. Valentine's knowledge if it has happened before. Mr. Valentine stated it has happened before. Mr. Klein stated it sounds like a loophole that should be shut. Mr. Ferguson stated he and Mr. Valentine will work on a procedure, even if it is just a reminder to invoice because we know when the closing is. That action should be originated with us.

Chairman Sutton asked for a motion to accept the payment to the SEDC in the amount of \$13,280.63. The motion was made by Mr. Klein and it was seconded by Ms. Hynes-Walsh.

RESOLUTION #1320

RESOLVED THAT the Saratoga County IDA has agreed to authorize payment of the Leonard Bus IDA Fee Split (closing 4/29/11) to the SEDC. The results of the roll call vote were as follows:

AYES: Mr. Johnson, Ms. Hynes-Walsh, Mr. Mooney, Mr. Klein, Mr. Rockwood, and Chairman Sutton.

NOES: None

ADOPTED: 6-0

Annual Report and Performance by Project-Update of Company Employee Targets:

Chairman Sutton asked for a discussion on the Annual Report and Performance by Project-Update of Company Employee Targets. Mr. Ferguson stated we talked about this at the March Board meeting. He presented and reviewed a memo regarding employment targets. This was one of the recommendations that came from the Comptroller's Audit. At the meeting, he reviewed five companies which did not meet their employment targets. Of those five, three of the companies did meet the majority of their target. E.nfrastructure was at 92% of target, Fortress Partners, Creatacor was at 94% of target, Mountain Ledge was at 94% of target with their third part-time employee. Two of the companies though he had some concern over because they missed their targets by a significant amount. Monmouth REI only reached 77% of target and Albatross North America only reached 63%. Mr. Ferguson has communicated to those companies and he had heard back from them. They have stated that they are making progress and that they would add employees in 2016. That is well and good, but he thinks with that target being missed by such a significant amount, he would like to have representatives from those companies come in to the May meeting and give us their plan. This is written within our PILOT Agreements that they have the right to come in and discuss. It puts them on notice as well that they could have their PILOT benefits reduced because they are not meeting their employment targets.

Mr. Ferguson would like to have that opportunity to communicate to them and then invite them in to the May meeting to make a presentation, after which at that point we can then make a decision on what we want to do, keep the payments as they are or make a reduction in the benefits. Mr. Rockwood questioned would you anticipate explaining to them what our options are in terms of the fallback provisions. Mr. Ferguson stated indeed. Mr. Rockwood asked if they would be fully aware of what could happen. Mr. Ferguson stated yes. Chairman Sutton questioned whether this was just a sign of the economy. Mr. Ferguson stated that both reported they had major projects that were stalled and they are now coming back online. Chairman Sutton stated if they have an end user that is not buying their products or services, it could slow things up a little bit for them. Mr. Ferguson stated both said that they would be adding employees. To his sense, neither one of them were going to add enough in 2016 to reach their targets, which they should have been at in 2014. Chairman Sutton asked when these had been approved. Mr. Ferguson did not have that information. Mr. Valentine stated Monmouth was probably five years ago, Albatross was three years ago. Monmouth is down in Halfmoon and Albatross is in the Town of Ballston. Mr. Johnson questioned how long they have to reach their target. Mr. Valentine stated the application sets up a three year period; they do at present, first year, second year and look at projections as well. That is as far as we really go out with it. Then we would do maybe a site investigation and visit the company within its first year of operation or second year to see if they have met those projections. Monmouth was a problem from the beginning and that was their whole thing as they were just getting started. They are a medical distribution facility in Halfmoon and they were looking at picking up a lot of the whole Northeast and New England and what they anticipated picking

up for a market hasn't materialized. Mr. Ferguson stated that of the two, Monmouth is the one he thinks will have most difficulty in reaching their employment targets. They have spread out geographically across the company with their distribution centers and also purchased another company which rolled in a distribution center in New Jersey. So, their comment was over the next years we anticipate adding employees, with the caveat nationally. So they are not saying anything about what is going to happen in Halfmoon. The other company, Albatross, they are a wholly owned subsidiary of a Spanish company and they made comment right in their reply to me that they were affected by the European economy. Mr. Mooney asked how many employees we were talking about. Mr. Ferguson stated 21 short for Albatross. Monmouth is off 12 employees of 52. Mr. Valentine stated in the past we have had Quad Graphics which was the first company that we looked at with having a concern for just this, job decrease. They had gone from 1,196 down to about 900 something. There were meetings with Quad Graphics, Board, staff, and they had gone into the whole thing about the change nationally in the print industry affecting production and also their use of bringing in more automation within the local plant. Another company that had the same thing happen was Saratoga Flour. They had a decrease in jobs, but they wound up financially with a sale of the company which is now Bakemark. The change was made there and the PILOT expired as their job losses started coming in. The only other company we made adjustments from was AJH in Halfmoon, or Precision Valve Automation and that was where we wound up decreasing the benefits for an addition that was constructed and put under PILOT. 90% reduction in their abatement because of the job losses, or rather jobs transferred to Albany County.

Chairman Sutton stated he would like the companies to have a heads up and really talk to them about the significance of a callback and what it might mean to them financially. Ms. Hynes-Walsh stated that is good follow-up on our part and she thinks that is an important thing for us to do when we are extending benefits like that. She questioned about choosing these five to look at, is there a particular reason why you chose those five, or are there more to look at. Mr. Ferguson stated that we surveyed 18 companies, 12 met their targets. When they have met their target that is all we need to see. There were six that didn't. One, which Mr. Valentine just talked about, we had previously reduced their benefits, and reduced them by 90%. The remaining five is what we investigated. Mr. Rockwood questioned if it is possible to get the history from the beginning of these two agreements so we can see how they have been tracking. Mr. Ferguson stated he did look at prior years and nothing jumped out at him, like they have met it and met it and then it dropped. In 2014 and 2013, these companies were not making the target. Mr. Valentine stated the both of them just didn't ramp up enough to meet job targets. Albatross has lost senior staff as well, there are changes being made internally too. Mr. Ferguson stated this was one of the recommendations from the Comptroller's Office Audit that we have this procedure and so we created the procedure, we approved it and now we are following through on it. Chairman Sutton asked Mr. Ferguson to contact the two parties and explain to them and use your discretion as to whether to bring them in on the May meeting. Mr. Ferguson stated they may choose to say we don't need to come in, but here is a letter, but he will follow-up on that.

IDA Fee Structure:

Chairman Sutton discussed the IDA fee structure. At the workshop meeting we had in March there was a discussion about fees, the ability to offer services with or without fees, and so we thought we would put this out on the table. It could be premature to even discuss this at this point. He wanted to get the sense of the Board of what your feelings might be. Until we finalize agreements with Prosperity Partnership and/or SEDC, he would think that this was going to be part of the discussion, the agreements that we have to take action on yet. Does anyone have any thoughts or ideas on fees? We have had a set fee over the years, and to the best of our knowledge it hasn't deterred anyone from

investing in Saratoga County. We have modified fees over the years based on the merit of the project that came before us. A prime example would be Global, where we had to modify the fees because those zeros really started to stretch out and it was a significant amount of money. Mr. Johnson questioned if our fees are comparable to other Counties? Mr. Valentine stated we did a review years ago, we did just do that, poll other counties. Mr. Toohey stated that the key here is it is our fee, what we decide to do with our fee is the Board's decision. Again, nobody else is charging a fee in this. We have always charged a fee, we are authorized to charge a fee and that is what we have done. Mr. Rockwood stated we should leave it as part of a larger discussion to come. Mr. Johnson questioned is the plan to when you get both modified agreements to have another workshop before we take action. Chairman Sutton stated yes he thinks so. Once we have the Prosperity's agreement we can do a side-by-side comparison again. He thinks that would be the appropriate way of looking at this issue. Get our agreements in place and then we can follow-up and see where we as the IDA needs to go. Right now, we are in a bit of a state of flux here. As it comes in, if we have applications, we are charging a fee. We do provide a service and he thinks that people that do want to invest in Saratoga County see the merits of investing in Saratoga County and there is a price to pay to invest in Saratoga County because we are eventually going to give them something they need which is a PILOT program. That is something for discussion once we get the two agreements side by side so we can take a look at everything. Mr. Johnson stated the Partnership Board is meeting on Friday so there should be a modified agreement shortly. Mr. Mooney stated our fee is independent of either of the other. Chairman Sutton stated that once we make that decision then we decide which path the IDA needs to go. Mr. Toohey stated that put in another way, the others don't charge fees. We are the only ones in this grouping of three and then we decide how we are going to share the fee and what the fee is going to be quite honestly. Chairman Sutton asked if there was any further discussion.

SEDC Modified Services Agreement:

Chairman Sutton discussed that back at the workshop; we did ask that the agreements be sent to us in a timely fashion. We did receive the agreement modified by SEDC. We have had a chance to look at it. Mr. Toohey had a chance to take a look at it and compare it with the previous agreement we had with the SEDC. For the most part, there is very little modification to the existing plan that we have had in place with SEDC since 1985. Mr. Sutton asked if anyone had a chance to look at that. Mr. Toohey stated what this agreement does is parallel more a lot of the verbiage that was in the original agreement that we sent to Prosperity Partners. That makes it easier for a side by side comparison whenever anybody comes in. Mr. Johnson stated he would think the review of this agreement would be together when we get the other one. Chairman Sutton stated once we receive the Prosperity's agreement then we will be able to sit down and let Mr. Toohey take a look at what the agreement might look like, compare it with our agreement that we have with SEDC and then we can sit down and dedicate another workshop to maybe discuss this. Does anyone have any thoughts or ideas or questions? There was no further discussion on this topic.

Other Business:

Chairman Sutton asked for a discussion on other business at this time. Mr. Valentine stated the first item was regarding the Historic Hudson Hoosick River Partnership, communities in the area of Schuylerville, Stillwater, Town of Saratoga and on the other side of the river. They have a Visitor's Center being constructed in Schuylerville at the old Town Hall area and IDA entered into a contract with Saratoga Associates to be of help to the Partnership in the construction of that Center. We had

proposed originally a larger contract at \$130,000 that we had signed and we elected to go with a Phase I to help them out with their design work at \$130,000. In actuality, their cost was roughly \$130,500, but we are only paying the \$130,000. You received a chart in your mailing to show the status of the seven invoices and payments made so far. On Thursday or Friday, we received the 8th and final invoice which takes them over the \$130,000, but we would pay only the amount that brings it to \$130,000. He did speak with Supervisor Richardson and Supervisor Wood to be prepared to come back to the IDA Board. He made it known that he was going to have a Phase II proposal to come before the Board. That is something that we will look at. His suggestion to him was if you are going to include a Phase II to include that gap between the \$130,000 and \$130,500 so it is enveloped in that second phase contract. That is just an update on that one. Mr. Mooney questioned what the \$41,000 in consultant fees, what is that. Mr. Valentine stated that is Saratoga Associates contract to do their design documents and their construction inspection reports. Mr. Mooney asked what the balance consists of. Mr. Valentine wasn't sure what the balance consists of but he can investigate and send out an email regarding this. Chairman Sutton asked if they are incorporating this into the advertising for the County. Mr. Johnson stated that we are providing the lumber. Mr. Johnson stated they haven't really started the construction yet. Chairman Sutton was wondering if they were starting to push the involvement of the Hudson River as a future destination. Mr. Johnson stated it would be included in the tourism. Mr. Klein asked if we have seen their overall budget for the whole plan. Chairman Sutton stated they had a drawing and schematics on the center itself and the cost. We would have to go back and look at it. Mr. Klein stated he remembers there was a concern there with the actual physical property itself. Mr. Valentine stated part was the survey work and there is a significant amount of concrete involved. Mr. Klein stated if we continue to be involved in this, and seeing that there are a few new people on the Board, maybe we could look at that whole thing again.

Chairman Sutton asked Mr. Ferguson to discuss the QuickBooks software agenda item. Mr. Ferguson stated that at the March meeting it was discussed that our CPA's had recommended within their management letter that the IDA use the software Quickbooks to improve our financial reporting and record keeping. Mr. Ferguson reviewed prices at Staples, Office Depot and also on the Quickbooks website. They were all priced within four cents of each other. Mr. Ferguson stated the most inexpensive was the Quickbooks website. Mr. Ferguson stated he would make a request that it be purchased at \$199.95.

Chairman Sutton asked for a motion to approve the purchase of the Quickbooks software program. Mr. Mooney made the motion to approve the purchase of the Quickbooks software program at a price of \$199.95. The motion was seconded by Mr. Johnson.

RESOLUTION #1321

RESOLVED THAT the Saratoga County IDA has agreed to authorize purchase of the Quickbooks software program at \$199.95. The results of the roll call vote were as follows:

AYES: Mr. Johnson, Ms. Hynes-Walsh, Mr. Mooney, Mr. Klein, Mr. Rockwood, and Chairman Sutton.

NOES: None

ADOPTED: 6-0

Mr. Ferguson further stated that his hope is that after learning how to use it and back loading in our transactions from 1/1/16, give him a couple of months and he will be able to provide the Board with a balance sheet and income statements on a monthly basis.

Chairman Sutton asked for a discussion on the agenda item of Geyser Road Signalization. Mr. Ferguson stated he spoke briefly about this at the last Board meeting as well. The County IDA approved in April of last year to move forward in a contract structure to provide \$40,000 which was originally granted to the City of Saratoga Springs for this signalization project at Route 50 and Geyer Road. Mr. Ferguson met with both Mr. Toohey and Bradley Birge at City Hall. Currently documents are being reviewed. There were some changes that needed to be made and Mr. Toohey expressed some concern over the documents. Mr. Toohey stated there are two parts of this. The first one was the document that came back as having us titled as owner and the owner has a lot of responsibility during the course of this contract. Chairman Sutton questioned the owner of the signalization. Mr. Toohey stated that is the way this contract reads, as if this was our signal. We are assisting in this process because of the traffic load that the Industrial Park and other projects we have deposited there, we are trying to be a good citizen in that. Mr. Toohey's suggestion was that whatever the opposite of being the owner is, we are going to be. We are going to be as cooperative as we can with as little responsibility as we can. The next one, mentioned several times, is a significantly greater oversight that is being imposed on IDA's with regards to any kinds of contracts that we are entering into. The idea back in 2015 was that we do have the right to enter into contracts, we can't give grants or gifts, but once you get beyond the grants and gifts into the contract, it seems that we have some level of bidding requirement for these, both within our own internal document and certainly as the State is looking at that. It is something for us to consider as we go forward with things of this nature. It is not what was in place in 2015, we have not entered into a contract and he thinks it may have some effect on how we either handle this one or other agreements going forward. Mr. Ferguson stated he will check with Bradley at City Hall to see if they competitively bid this engineering project and he is hoping they did. Mr. Toohey stated it is something that as we do these things, it is certainly something that is much closer to the surface than it has been in the past. Mr. Mooney questioned if the contract was directly with the engineer. Mr. Toohey stated this was a contract that was drafted with them. Chairman Sutton questioned this was done two years ago was it not? Mr. Toohey stated it was a long time ago. What we were attempting to do was to figure out a mechanism whereby we could be of assistance to the traffic pattern; some significant portion of which our projects affect and this was a way that we thought was effective. It very likely continues to be effective; we just want to make sure we are doing it properly. Mr. Klein questioned whether it would be safe to assume that we have done this with other municipalities within Saratoga County. Mr. Valentine stated not necessarily traffic, but contracts. If that was what the question was. We did it with the County, through the Town of Milton with the Fairgrounds, etc. Mr. Johnson stated Corinth as well. Mr. Valentine stated the one in Corinth was with the Town and the Malta one was with the Hospital and Town, the Fairgrounds was with the Town of Milton. Mr. Toohey stated we have attempted to do this in a fashion that is both open to scrutiny, achieves a communal goal so that we can use our fees in a way

that generates jobs. The County Fair generates a lot of tourism and a lot of jobs. Helping jobs we've always perceived was one of the things that we should be able to do with our fund balance as opposed to just giving a grant or a gift to an entity or a group. At least mentally, that is where we have been and we just have to do it. Mr. Valentine stated that with Mr. Toohey's discussion about scrutiny, the Fairgrounds one, an article in a local newspaper here brought about the scrutiny of Mr. Cadera, who is no longer there, with the ABO to go through the whole how did we get into contract, are we giving money to him. We had a sit down meeting in Jim's office with everybody involved to go through it. Mr. Valentine doesn't believe they heard anything after that meeting, correspondence or anything after the fact. Mr. Ferguson stated that is an ongoing process and he will keep the Board posted.

Mr. Valentine stated the next item on the agenda is a note on the Compliance report or chart that you all received. Mr. Ferguson came into his office one day and said did you know we are supposed to have a Compliance Report. Mr. Valentine had never heard of it. To be truthful, he did not know if that was supposed to be an internal or an ABO thing we are supposed to have. The chart with the heading on the top says Sales Tax and Compliance Report. He just went through, it is mainly just informational as to the companies, their EIN's, when did we have them for inducement resolution, what was that resolution, when were they appointed a far as ST60-123, those are filings that he does with the State, sales tax related. The amounts of the benefits that are listed on their ST-60 and then did we get a copy of their ST-340. It is not a requirement that we get a copy of their ST-340. They file that themselves with State Tax and Finance, but if it is on the report, I just started doing a follow-up with the companies. You will see three blanks on here as far as after follow-up and one of them, Greenfield Manufacturing, talking with him, he stated he simply forgot. So he is filing a copy and getting that to him this week. AgroChem, John Munter is going to provide that to us this week because this company has not closed yet. This is a design/build project, so they haven't closed with Munter or with the IDA. John Munter is the one responsible for filing that ST-340. Up above, Fred's Tents down in Routes 4 and 32 in Halfmoon/Waterford area. That was reconstruction of an existing building. They really didn't have much, as far as particularly outside construction. She was out of Town; she said she would send me one today. It should be completed for our next meeting. The next item, this is just as a notification, the ST-60 and ST-123, they are generated once we have an inducement of a project here. Those forms are generated from Jim's office to me and he would file with Tax and Finance and send copies out to different agencies and those that are involved with the Company. Finch Waste is one of the purchasers of the County landfill in Northumberland and then Land Remediation is now in Waterford. Both of them had extensions on their sales tax exemption certificate because they didn't do much as far as winter construction, so they are going out. Finch Waste looked to get a two year extension; at the last meeting we gave a one year extension on it. Those are filed now and reported on the form. Mr. Valentine stated the next item on the agenda is closings: This is mainly just an item for Jim and himself to keep in touch with this one. AgroChem hasn't closed yet. AgroChem is in Grande Industrial Park. Again, it is one of the things where Munter is in the design and build and Munter hasn't completed that yet. So when Munter closes with Marcora and the IDA has a closing, then it becomes an IDA project. Regarding e.nfrastructure, just haven't had a closing yet. That was a project in Halfmoon which we gave an assignment to that was Marini, had the project and owned it, leased space to e.nfrastructure. They were assigned the PILOT and the other agreements and they took over and then they came in when we met in Wilton, they took on another 10 year abatement period. Chairman Sutton asked if there were any other questions of Mr. Valentine or Mr. Ferguson.

Chairman Sutton stated that we have to set a meeting date for the month of May. A discussion continued regarding what dates everyone might be available. He stated if we should we get the agreement back from Prosperity Partnership, it is up to the Board if we would like to have a separate

meeting on that to compare those agreements or we could incorporate that into our normal business at the May meeting. Discussion continued as to what dates everyone might be available. It was decided that a special meeting would be held on Friday, May 20th in the County Planning Offices Auditorium. Mr. Ferguson will check to see that the room will be available.

Chairman Sutton asked if there was any further discussion. As there was no further business, the meeting was adjourned on a motion made by Mr. Klein, seconded by Mr. Johnson, with all voting in favor.

Respectfully Submitted,

Lori A. Eddy