

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**Broome County Public Library
185 Court Street
Binghamton, New York 13901
Friday, January 15, 2010, 12:00 p.m.**

SYNOPSIS OF MEETING

PRESENT: G. Akel, B. Fiala, T. Grippen, P. Hankin, S. Herz, V. Pasquale and J. Rounds

ABSENT: E. Burns and W. Howard

GUESTS: Darcy Fauci, Director of Economic Development, Broome County
Dan Reynolds, Broome County Legislature

COUNSEL: J. Meagher

STAFF: R. D'Attilio, P. Doyle, T. Gray, R. Fiato and C. Campon

PRESIDING: G. Akel, Chairman

Mr. Akel called the meeting to order at 12:00 pm.

ITEM # 1. APPROVE MINUTES FOR DECEMBER 11, 2009 REGULAR MEETING: Mr. Burns requested a correction to the December minutes. In the Executive Director's report, the section referring "grand" funding should have been "grant" funding. Mr. Akel requested approval of the minutes for the December 11, 2009 meeting.

MOTION: To approve the December 11, 2009 minutes with revisions. On a MOTION by Mr. Pasquale, seconded by Mr. Rounds, MOTION CARRIED UNANIMOUSLY.

ITEM # 2. PUBLIC COMMENT: None.

MOTION: No motion necessary.

ITEM #3. EXECUTIVE DIRECTOR'S REPORT: Mr. D'Attilio updated the Board on the proposals he had received from the RFP for the feasibility study on the old Broome County Library building. He received proposals from Keystone Associates & a team of architects and environmental specialists, Bearsch Compeau Knudson and Delta Engineers. He interviewed each firm separately to review their proposals and to get an idea of what services each firm can provide. Based on the proposals presented, the price ranged from \$40,000 to \$78,000. Mr. D'Attilio stated that upon selecting an engineering firm, the scope of work will have to be refined to determine a definite scope of work as well as a definite cost of the feasibility study. Based on the interviews and proposals presented, Mr. D'Attilio recommended Delta Engineers who gave a fee range of \$43,000 - \$45,000 to perform the feasibility study. Mr. D'Attilio continued the discussion by stating after making a selection of an engineer firm, they would need to interview and select an appraiser so that the engineering firm and appraiser could work together as a team. Mr. D'Attilio has recommended Mr. John Miller and Mr. Robert Congdon as the appraisers he would interview. Mr. D'Attilio asked the board for a consensus on his recommendations to pursue conversations with Delta Engineers in refining the scope of work for the feasibility study and to move forward and interview the two recommended appraisers. The Board unanimously agreed to the recommendations. Mr. D'Attilio also noted that once we have determined the scope of work, the Agency will have to send that scope of work to the Mr. Steven Antler, the building owner

and get permission from him prior to engaging the engineering firm to do feasibility study. Mr. Herz asked what was the goal of these actions. Mr. D'Attilio stated that the IDA would like to take control and secure the building and look into grants and/or commercial partners to occupy it. In addition, to take steps to insure that further deterioration of the building does not occur. Mr. D'Attilio then informed the Board that L-3 Communications has extended their lease in the IDA's building by another 6 months. L3 has asked the Agency for a business proposal including building information and the cost of operation for the site; however, this information actually resides with L3 as they have occupied and maintained the space for the past ten years. The IDA is continuing to pursue an open-book approach with L3 to insure that they remain in the building and community. Mr. D'Attilio then gave an update on STEP progress. He stated that he has been meeting with the GBC private sector representatives as well as Mr. Lou Santoni, President of the Greater Binghamton Chamber, about strengthening the relationship between STEP/BCIDA and the Chamber. Mr. D'Attilio feels that a key element in this effort is a co-location. The Chamber's current lease is up in 12 months, and the IDA with the Broome County Economic Development Department have been considering location options including a Brownfield parcel on Hawley Street, 2 blocks from the County Office Building. Ms. Fiala suggested that it is important to schedule the first meeting of STEP. Mr. D'Attilio stated that this was on his agenda, followed by a meeting with STEP members and the BCIDA, which he felt was especially important since STEP will be staffed by the IDA. Mr. Herz suggested that STEP include representation from Agriculture. Mr. D'Attilio stated that he would email the Board a copy of the STEP by-laws prior to the next board meeting for review. Mr. D'Attilio noted that the Millennium Pilot bills were due on the 20th of January. Millennium will prepare the checks and send them to the IDA for distribution to the municipalities and school districts. He continued by stating that the special district taxes have not yet been billed. Mr. D'Attilio updated the board regarding the \$500,000 Title IX loan to Impress, USA. Part of an incentive package to Impress for building their facility in the Broome Corporate Park, the Agency to set aside funds from their loan program to lend to Impress. The Agency required a corporate guarantee as a condition of the loan. Impress was not willing to give the corporate guarantee so the loan could not be made. Mr. D'Attilio mentioned he had a conversation with Mr. Randy Williams, Town of Windsor Supervisor regarding the disbursement of the Millennium Pipeline Community Benefits Package. Mr. D'Attilio also mentioned that Mr. Gordon Kniffen, Town of Kirkwood Supervisor made a FOIL request to George Minor of Southern Tier Economic Growth (STEG) regarding how they were using the funds. Mr. Minor stated that he deposited the funds into their general fund. Mr. Herz inquired about using the first year's payment of the Millennium Community Benefits Fund to assist the towns that were affected by construction of the pipeline. Mr. D'Attilio stated that the board agreed to use the funds to retire the Broome Corporate Park debt, after that debt is satisfied, a discussion can take place to determine what to do with the funds for the remaining five years. Ms. Fiala inquired about the status of the Agency taking ownership of the DOT building located off the Brandywine Highway since there is a deadline of August 2010 to make a decision. Mr. D'Attilio stated that he is waiting for additional environmental information from the Broome County Planning Department so the Agency can better understand the environmental issues regarding the property. He stated that it is critical that the Agency understand the environmental responsibilities it will have once the Agency assumes ownership.

MOTION: No motion necessary.

ITEM # 4. LOAN FUNDS AVAILABILITY AS OF DECEMBER 31, 2009: Mr. Gray presented the Loan Funds Availability report to the Board. The balances available to lend are \$214,170.56 (STEED) and \$457,342.59 (TITLE IX).

MOTION: No motion necessary.

NEW BUSINESS:

Mr. Herz briefed the gas summit that was attended by the IDA as well as representatives from the County and local municipalities. Ms. Fiala asked what involvement the IDA might have in this initiative. She stated that the County would be hosting a meeting next month with gas representatives, Joint Landowners Coalition, and she wondered if it was appropriate for the Agency to get involved and if so, to what extent. Mr. Grippen added that he felt business and labor representatives should see the presentation as well, as there is a lot of potential for economic growth. Mr. D'Attilio agreed that gas-drilling has the potential to have a tremendous economic impact on the community so, naturally, the IDA should be involved. He stated the Agency will stay current on the topic and will act on the economic opportunities that could develop. Mr. Pasquale stated that the environment impact of gas-drilling should also be considered since drilling activities could have a significant and long remaining impact on the environment. It was stated that the NYS DEC is reviewing the environmental impact statement prior to finalizing regulations and permitting for gas drilling in New York State.

ITEM# 5. A \$50,000 STEED LOAN FUND REQUEST FROM BLENHEIM PHARMACAL, INC. TO ASSIST IT IN THE PURCHASE OF MACHINERY AND EQUIPMENT FOR USE AT ITS FACILITY IN NORTH BLENHEIM, NEW YORK:

Blenheim Pharmacal, Inc. has submitted an application for STEED funds to assist the corporation in an expansion project totaling \$762,500. The request is part of a proposal that will refinance existing equipment, provide for building renovations and working capital and the acquisition of machinery and equipment. STEED funds would be used exclusively for purchase of new equipment. Blenheim Pharmacal, Inc. currently has 11 full time employees. If the project proceeds as planned the applicant believes that 11 new full time jobs will be created over a three-year period. The applicant believes that the project will not have a negative impact on the environment. The company is now interested in adding to its contract packaging capabilities a new packaging solution called pre-figured. This solution is a catalogue of the most commonly prescribed medications. This catalogue based offering serves to meet a significant need in the industry by providing a product in a variety of package configurations utilizing a generic label allowing for multiple customers to purchase the same product without regard to marketing conflicts. The advantage to the company is to allow for increased production efficiency, clear market communications and meet the market demand. The new machinery and equipment in this proposal will allow BPI to have this new capability.

MOTION: To approve \$50,000 STEED Loan Fund request from Blenheim Pharmacal, Inc. On a MOTION by Mr. Hankin, seconded by Mr. Herz, the MOTION CARRIED UNANIMOUSLY.

ITEM# 6. RECOMMENDATION OF NEW ALC MEMBER ARBY SWIFT: At the request of Mr. Herz to add a person with agriculture experience on the loan committee, Mr. Gray was able to meet Mr. Herz request. Mr. Arby Swift who has lending experience in the agriculture field has been recommended by the loan

committee as a new member of the committee. Mr. Herz noted that he appreciated Mr. Gray's effort to get a person with agriculture experience on the loan committee.

MOTION: To approve the recommendation of the new ALC member. On a MOTION by Mr. Pasquale, seconded by Mr. Grippen, the MOTION CARRIED UNANIMOUSLY.

ITEM #7. EXECUTIVE SESSION TO DISCUSS CONFIDENTIAL PLANS OF CERTAIN AGENCY CLIENTS AND PERSONNEL MATTERS:

MOTION: To convene to executive session. On a MOTION by Mr. Herz, seconded by Mr. Hankin, the MOTION CARRIED UNANIMOUSLY.

ITEM #8. RESUMPTION OF PUBLIC SESSION:

MOTION: To reconvene back to public session. On a MOTION by Mr. Pasquale, seconded by Mr. Herz, the MOTION CARRIED UNANIMOUSLY.

OLD BUSINESS:

ITEM # 9. ADJOURNMENT: Chairman Akel requested a motion for adjournment.

MOTION: To adjourn the meeting. On a MOTION by Mr. Pasquale, seconded by Mr. Herz, the MOTION CARRIED UNANIMOUSLY and the meeting was adjourned.

The next scheduled Board Meeting of the BCIDA Board of Directors is February 12, 2010 at 12:00 p.m., Broome County Public Library, Binghamton, NY.