

WYOMING COUNTY IDA BOARD MEETING MINUTES

The WCIDA Board of Directors met on April 14, 2022 at 2:30 p.m. at the Wyoming County Business Center, 36 Center Street Warsaw, New York 14569.

1. Roll call to establish quorum

Chairman Dadd, called the meeting to order at 2:32 p.m., in attendance were: Mark Dadd, Chairman; A. Douglas Berwanger, Vice-Chairman; Rebecca Ryan, Treasurer; Thomas McCormick, Secretary; and E. Joseph Gozelski, Director James Rutowski, Director; Niccole Hastings, Director; James Pierce, Executive Director; Robin Marschlok, Director of Operations; Jennifer Tyczka, Program Manager; Scott Gardner, Economic Development Specialist and Kevin Zanner, Hurwitz & Fine, Agency Counsel.

Guests: Kathryn Barrett, Freed Maxick CPA, PC; Matt Ashley, Morton Salt (joined the meeting at 2:58 p.m. and left at 3:06 p.m.); Bill Montague and Ian Park, Select Door, (joined the meeting at 3:12 p.m. and left at 3:36 p.m.).

2. Administrative

C. Audit Presentation-Kathryn Barrett, Freed Maxick and Battaglia

Chairman Dadd introduced and asked Kathryn Barrett from Freed Maxick to present the 2021 Audit Report. Barrett announced that she would be reviewing the combined IDA and BAC Financial Statements. She reported that the audits went well, the staff was organized and prepared and there were no uncorrected misstatements, no significant issues or audit adjustments to the original trial balances submitted. Barrett pointed out line items associated with the NYS Retirement System and explained that the adjustment reflects members obligations to the system. Barrett stated that the amount of restricted fund balance in 2021 reflects the GAIN Loan funds which were received as deferred revenue and are to be used for similar type loans. In summary Barrett pointed out that the IDA financials are strong and in good shape. Barrett then reviewed the Letter to Management stating that the observations and recommendations were identical to both of the Agency's. After Barrett's review the Board made a motion to accept the audited financials on a motion made by J. Rutowski. The motion was seconded by T. McCormick and unanimously approved. Barrett left the meeting at 2:51 p.m.

A. Review/approve minutes from February 10, 2022 Board Meeting

The minutes from the February 10, 2022 Board Meeting were reviewed. A motion was made to accept the minutes by T. McCormick. The motion was seconded by N. Hastings and unanimously carried.

B. Review and approve Financial Statements from February and March 2022

R. Marschilok presented the financial report from February and March 2022. After review the Board approved the financial reports on a motion made by J. Gozelski. The motion was seconded by T. McCormick and unanimously carried.

D. Authorize Annual Agreement with Wyoming County Chamber for marketing services-\$5,000 (April 1, 2022-March 31, 2023)

Pierce asked the Board to consider approving the annual agreement with the Chamber for marketing services as it has in previous years with the contract remaining the same. The Board approved the request on a motion made by R. Ryan. The motion was seconded by J. Rutowski and unanimously carried.

3. Action Items

A. Request for IDA assistance from Morton Salt located in the Village of Silver Springs. A project presentation will be made by Matt Ashley, Engineering Manager.

Pierce introduced Matt Ashley, Engineering Manager from Morton Salt, to give an overview of the Morton Salt expansion project in Silver Springs. Ashley reported that Morton Salt has found the need to put up a 30,000 sq. ft. warehouse at its location to eliminate the expense of third-party warehouse locations. The new warehouse will make the flow of product more efficient and cost effective by bringing the whole operations under one roof, resulting in higher margins. Ashley presented a drawing of the proposed project prepared by an engineer out of Buffalo. Ashley stated that Morton Salt is the largest food grade salt producer in the world. The Company hopes to start the project in May with a completion date at the end of summer. Ashley then left the meeting at 3:06 p.m.

Pierce reported to the Board that all the permits are in place for the project, the Company completed an Environmental Assessment Part I and was found to not have any significant environmental impacts. The IDA held a Public Hearing for the project in November, with the only other person present being Ray King, the Mayor of the Village of Silver Springs, and he was in favor of the project. In the packet was a resolution prepared by counsel describing the incentives allowed for the project. After review, the Board passed the resolution declaring a negative declaration for the project and authorizing IDA incentives in the form of sales tax for construction materials and non-production equipment and a real property tax abatement per the Agency's standard PILOT schedule contained in the Agency's UTEP Policy on a motion made by T. McCormick. The motion was seconded by J. Rutowski and unanimously carried.

B. Request for IDA assistance from Monty Acquisitions, LLC, dba Select Door, located in Java. A project presentation will be made by Bill Montague, Owner.

Pierce introduced Bill Montague and Ian Park from Select Door in North Java to give an overview of the proposed 7,000 sq. ft. addition to their manufacturing plant. Montague stated that Select Door has been in business over 40 years and he has been

owner of Select Door for 16 years. They make high end designer interior and exterior hardwood doors Montague explained that during the pandemic the order increased for interior barn door style doors and the production has picked up to the point that they need more manufacturing space as well as warehousing space for raw and finished product. They currently have 33 employees and plan to hire 3 people. Ian Park gave Pierce a tour of plant in the fall and there was clearly a need for more space. Park stated that local permits are in place and only half of the property was being utilized so there is plenty of room for the expansion project. Montague and Park left the meeting at 3:26 p.m. Pierce stated that the Company completed an Environmental Assessment Part I and was found to not have any significant environmental impacts. The IDA held a Public Hearing for the project in January, with no other people present. In the packet was a resolution prepared by counsel describing the incentives allowed for the project. After review, the Board passed the resolution declaring a negative declaration for the project and authorizing IDA incentives in the form of sales tax for construction materials and non-production equipment, a real property tax abatement per the Agency's standard PILOT schedule contained in the Agency's UTEP Policy and a mortgage tax exemption on a motion made by R. Ryan. The motion was seconded by J. Gozelski and unanimously carried.

C. Request for a one-year extension of the sales tax exemption until May 31, 2023 for Drasgow Manufacturing in the Town of Wethersfield.

Pierce explained that due to supply chain issues, Drasgow has reported that the project is running behind and has asked for a one-year extension of the sales tax exemption to give them time to complete the project. After review, the Board authorized the request for a one-year extension of sales tax exemption with an expiration date of May 31, 2023 on a motion made by J. Gozelski. The motion was seconded by R. Ryan and unanimously carried.

D. Request for a one-year extension of the sales tax exemption until April 30, 2023 for Kelly's Garage in the Town of Perry.

Pierce explained that due to supply chain issues, Mike Kelly has reported that the project is running behind and has asked for a one-year extension of the sales tax exemption to give him time to complete the project. After review, the Board authorized the request for a one-year extension of sales tax exemption with an expiration date of April 30, 2023 on a motion made by J. Gozelski. The motion was seconded by R. Ryan and unanimously carried.

E. Request for a one-year extension of the sales tax exemption until April 30, 2023 for Letchworth Base Camp project in the Village of Perry.

Pierce explained that due to supply chain issues, Mike Bellamy has reported that the project is running behind and has asked for a one-year extension of the sales tax exemption to give him time to complete the project. After review, the Board authorized the request for a one-year extension of sales tax exemption with an expiration date of April 30, 2023 on a motion made by J. Gozelski. The motion was seconded by R. Ryan and unanimously carried.

F. Review and approve a resolution authorizing the execution and delivery of a mortgage amendment for CFI of Perry.

Pierce reviewed a Resolution in the package, prepared by counsel, asking for authorization for CFI, Inc. to enter into an amended mortgage. There would not be any additional benefits allowed. The IDA has a leasehold interest in the project and is required to give authorization for a transaction of this nature. The Board passed the resolution to grant the request on a motion made by N. Hastings. The motion was seconded by J. Rutowski and unanimously carried.

4. Executive Director's Report

Wyoming County IDA Economic Development Projects

- Jim P. continues to work with Empire Distributing of Arcade on a major expansion project. The company is a distributor of wood and pellet stoves as well as outdoor living products. The company originally planned to expand by 60,000 sq. ft. but now has scaled back to 15,000 sq. ft. because of the high cost of building materials. They are also buying a warehouse building in Springville that will help with the overflow of products that are now stocked.
- Jim P. has remained in contact with the Buffalo developer interested in building a Holiday Inn Express in Arcade. The project was shelved during the pandemic and bank financing dried up but things are improving. Travelers are returning and the owner of the development company has promised me and update next week after they confer with corporate folks at Holiday Inn.
- Jim P. met with representatives of TPI, the aluminum casting company in Arcade regarding an expansion that will double the size of the building and add another casting line. Early estimates of the project call for \$5.5 million building and over \$15 million in new equipment. This is one of those projects that will be affected by the new prevailing wage restrictions that was put in place by former Governor Cuomo.
- Working with the owners of the Farmcraft Brewery Project in the Town of Sheldon for what is being described as a tourism destination project. Plans call for building a 9,680 sq. ft. timber framed facility on the corner of Harris Corners and Rt. 20A. They plan on finishing of locally produces micro brews using ag commodities which will be grown on the site. The project also has plans for special events and family entertainment. An application for IDA assistance is anticipated.
- Jim P. is having some discussion with the folks at Attica Package about them acquiring a site in the Town of Attica that would create a good opportunity to move their wood chipping and mulch operation out of the Village of Attica.
- We also have received a preliminary application from Founders Software, the new owner of Beaver Hollow Wellness Center for the building of a Federal Express distribution hub building and some renovations at the Wellness Center. It was 2 projects blended into one application which does not work. A follow up meeting to discuss and clarify the 2 projects is being planned.

- The IDA terminated the PILOT for the Ag & Business Center building after Wyoming County took over ownership of the facility at the end of February.
- We closed Kelly's Garage warehouse project on February 24th just a few days before the March 1st taxable status date.
- We also closed on the Orangeville Energy Storage project on February 28th, one day before the taxable status date of March 1st.

5. Other Business

McCormick asked to discuss the lack of available warehouse space within the County. He asked if the IDA could look into putting up a warehouse building and leasing it out and the possibility of utilizing the property already owned by the IDA for a warehouse building. The Board discussed the possibility and Pierce agreed to do some research and bring back more information to the Board.

6. Next Meeting: The Next WCIDA Board of Director's Meeting is scheduled for May 12, 2022 at the Wyoming County Business Center.

7. Adjournment

The meeting was adjourned at 3:48 p.m. on a motion made by T. McCormick. The Motion was seconded by N. Hastings and unanimously approved.

Meeting recorded and posted on You-Tube at the following link:
<https://www.youtube.com/watch?v=cn0D0QtDuDM>

Minutes prepared by: Robin Marschilok