

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

AGENDA

-Agenda Subject to Change-

**November 13, 2012 at 6:00 PM
Town of Louisville Municipal Building**

Call to Order	<ul style="list-style-type: none"> ▪ Robert McNeil, Chair
Roll Call and Determination of Quorum	
Public Notice	<ul style="list-style-type: none"> ▪ November 2, 2012
Presentations	
Approval of Minutes	<ul style="list-style-type: none"> ▪ October 16, 2012 1-3
Financial Reports	<ul style="list-style-type: none"> ▪ September 2012..... 4-6
Committee Reports	
Old Business	
New Business	
Staff Report	
Public Comment	
Executive Session	
Adjournment	

St. Lawrence River Valley Redevelopment Agency
Minutes of October 16, 2012 Meeting ~ Town of Louisville Municipal Offices, Massena NY

Call to Order: The meeting was called to order at 6:03 PM by Chairman McNeil.

Roll Call/Determination of Quorum: Mssrs. McNeil, Murphy, Carroll and Strait attend. NYPA Representative Karen White is also in attendance. The quorum is recognized.

Public Notice: Public notifications were sent October 4, 2012 to, at a minimum: St. Lawrence County's newspapers designated for the publication of local laws and other matters required by law to be published. Notification also sent to other local media sources and websites.

Presentations: Patrick Kelly, Chief Executive Officer of the St. Lawrence County Industrial Development Agency, presents information pertaining to the St. Lawrence County Economic Development Power Application Process. Included in his presentation are details outlining the application review process, as well as information regarding financing and incentives that might be offered to grantees of low-cost power. Mr. Kelly distributes a draft copy of the application to the members. He notes the same application is used by the SLCIDA. Per the request of Mr. Strait, Mr. Kelly refers to the power contract list of qualifying industries. Due to the requirements set forth in the application, Mr. Strait recommends informing companies up-front of the requirements for eligibility so there isn't any confusion as to whether or not a particular industry will qualify for the low-cost power. As a follow-up to Mr. Murphy's question concerning why hotels are not eligible, Mr. McMahon notes that the guidelines set forth in the contract are consistent with existing criteria used with other New York Power Authority programs. Mr. Kelly responds to Mr. Strait's question referencing the steps in the approval process and notes that each step must be followed sequentially. Even though there could be some flexibility, Mr. Kelly notes and that certain "built-in" timing milestones have to be met. Mr. Carroll expresses concern over MED's ability to veto a project. Mr. Kelly emphasizes that MED will be involved with all projects from the very beginning. Mr. McNeil notes that as the provider of power, MED cannot be forced to do something they don't feel comfortable doing. They need to have a decision in the matter. Mr. Kelly responds to Mr. McNeil's inquiry about the Regional Economic Development Council's role in the process.

The second presentation begins with Andy McMahon, Superintendent of Massena Electric Department, reviewing the background of MED. Mr. Murphy questions a point in the presentation which references that MED has not had a rate increase in several years. Mr. Shaw, Chairman of the MED board of directors, emphasizes that the base rate hasn't changed. Mr. Murphy asks if other electric companies can be involved in this process. Mr. Rich Burns, from National Grid, notes that National Grid will always deliver the power outside MED's territory. Mr. McMahon further discusses the scope of MED's role in the Economic Development Power process, which is mainly to provide tactical support and economic development assistance throughout the various stages of the review process, beginning with the initial review and recommendations from the RVRDA and SLC IDA-LDC. He also discusses benefits, the duration of the power contract and preliminary rate estimates. Mr. Murphy inquires as to what goal MED has set for power distribution. Mr. McMahon responds by stating NYPA power is hoping to create 10 to 20 jobs per megawatt. Mr. McMahon presents several different scenarios as examples when identifying the cost of power. When demonstrating the comparisons to Ontario electric rates, Mr. McMahon emphasizes that St. Lawrence County has a clear power advantage with reliability and notes that several targeted industries in the Ontario market should be interested in this.

Mr. McNeil thanks Mr. Kelly and Mr. McMahon and notes that both presentations were very well done. Mr. McNeil expects both presentations will be covered in some fashion at the Cross-Border Event in Massena on Thursday, October 18th.

Approval of Minutes: Strait/Murphy motion to accept the September 18, 2012 regular meeting minutes. The minutes are accepted unanimously.

Financial Report: Mr. Plastino, Deputy Chief Executive Officer/Chief Financial Officer of the St. Lawrence County Industrial Development Agency presents the August 2012 financial report. Discussion ensues around the Massena buildings regarding occupancy, rents and expenses. Carroll/Murphy motion to accept the August 2012 financials. The report is accepted unanimously.

Committee Reports: None

Old Business: Mr. McNeil notes that the 2012 – 2013 power agreement between Massena Electric Department (“MED”) and St. Lawrence River Valley Redevelopment Agency (“RVRDA”) has been signed by him and James Shaw, Chairman of the MED.

New Business: Resolution: Carroll/Murphy motion to accept the 2013 Budget. Discussion ensues around the amount to charge in relation to the power contract. Mr. Carroll notes that changes can be incorporated as the process moves along. Resolution is passed unanimously.

Staff Report:

- Mr. Kelly notes the members have decided to keep the 2013 meeting schedule consistent with the 2012 meeting schedule in that the meetings will continue to be every 3rd Tuesday of the month. Adjustments to the meeting schedule will be made as needed.
- So far the 2012 Community Development & Environmental Improvement Program (“CDEIP”) has fully funded 5 grants this year. Mr. Kelly read an excerpt from the Friends of the Robert Moses State Park Nature Center newsletter which thanked the St. Lawrence River Valley Redevelopment Agency for the grant that will be used to construct a covered gazebo.
- Mr. Kelly distributes copies of a newsletter which is currently circulating to Canadian businesses identifying marketing opportunities for low-cost power in St. Lawrence County.

Public Comment:

Lucia Daily:

- Inquires as to which towns/villages are covered by MED services and if the company is tax exempt.
- Asks if credit for AMP (Municipal Power) rates is passed on to other townships in St. Lawrence County and if the NCPA would allow locals to apply.
- States that lower property tax rates should be considered if people cannot get lower power rates.
- Refers to the “lease with option to buy” which is available to the building 18 tenants and inquires as to whether or not the property will become taxable.
- Suggests offering more information about what is being discussed in executive session so companies would have the opportunity to speak on their behalf if they are the topic of discussion in executive session.

Mark Dzwonczyk:

- References a recent bomb threat to the company (the second major incident of this kind). Mr. Dzwonczyk notes that there are indications that the people responsible for these threats are dissatisfied with the pace in which broadband services are becoming available to residents in the area. Mr. Dzwonczyk states that they are a small company growing from a single

- footprint. Mr. Dzwonczyk notes that work is going well and the company is ahead of their original schedule.
- Mr. Dzwonczyk met Governor Cuomo and was pleased by his report supporting broadband services.

Executive Session: Carroll/Strait motion for Execution Session at 7:43 PM to discuss the financial history of a particular corporation.

Return to regular session at 8:12 PM, upon the motion by Strait/Murphy.

The meeting is adjourned at 8:15 PM, upon the motion of Carroll/Murphy.

Note: The next regularly scheduled meeting of the St. Lawrence River Valley Redevelopment Agency will be held at 6:00PM on Tuesday, November 13, 2012 at the Town of Louisville Municipal Offices.

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St. Lawrence River Valley Redevelopment Agency

Balance Sheet

As of September 30, 2012

	<u>Sep 30, 12</u>
ASSETS	
Current Assets	
Checking/Savings	
201 - Cash Restricted	
201E - 1st Niagara- Money Market	7,228,191.13
201F - KEY - Money Market	5,425,932.65
201G - NBT- Checking	110,351.09
201H - NBT - Money Market	1.00
Total 201 - Cash Restricted	<u>12,764,475.87</u>
202 - Security Deposits	<u>34,000.00</u>
Total Checking/Savings	<u>12,798,475.87</u>
Total Current Assets	12,798,475.87
Fixed Assets	
100 - Massena Lot 18	
100A - Massena Lot 18 - Building	359,800.00
100B - Massena Lot 18 - Depreciation	-1,199.33
Total 100 - Massena Lot 18	<u>358,600.67</u>
101 - Massena Lot 19	
101A - Massena Lot 19 - Building	340,200.00
101B - Massena Lot 19 - Depreciation	-1,134.00
Total 101 - Massena Lot 19	<u>339,066.00</u>
Total Fixed Assets	697,666.67
Other Assets	
Notes Receivable	
485 - N/R - North Country Dairy, LLC	343,356.83
486 - N/R - SLIC Network Solutions	423,449.00
487 - N/R - Structural Wood Corp	139,783.96
488 - N/R - Nicholville Telephone Co	380,483.79
Total Notes Receivable	<u>1,287,073.58</u>
210 - Accrued Interest Receivable	2,941.95
Total Other Assets	<u>1,290,015.53</u>
TOTAL ASSETS	<u><u>14,786,158.07</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2100 - Rental Deposits	34,000.00
524 - Due to IDALDC	1,421.12
Total Other Current Liabilities	<u>35,421.12</u>
Total Current Liabilities	<u>35,421.12</u>
Total Liabilities	35,421.12
Equity	
3900 - Net Assets	15,366,107.98
Net Income	-615,371.03
Total Equity	<u>14,750,736.95</u>
TOTAL LIABILITIES & EQUITY	<u><u>14,786,158.07</u></u>

St. Lawrence River Valley Redevelopment Agency Check Register

Type	Date	Ck Num	Name	Memo	Amount
Beginning Balance for September 2012					\$ 12,840,127.54
Deposit	09/04/2012		North Country Dairy	Deposit	14,241.60
Deposit	09/05/2012		Structural Wood	Deposit	2,842.24
Check	09/12/2012	1182	SLC IDA Local Development Corp	No Co Dairy Sept	-7,120.80
Check	09/12/2012	1183	GMEDF	S Wood Sept	-1,421.12
Check	09/12/2012	1184	Paetec	Phone Bill	-39.51
Check	09/12/2012	1185	St. Lawrence County Fire Training Facil	CDEIP Grant	-42,982.00
Check	09/19/2012	1186	Philadelphia Ins Co	Directors & Officers Insurance	-962.28
Deposit	09/19/2012		Nicholville Phone Co	Deposit	5,731.92
Check	09/26/2012	1187	Village of Massena	Water Bills	-6.50
Check	09/26/2012	1188	Village of Norwood	CDEIP Grant	-16,570.00
Deposit	09/26/2012		Structural Wood	Deposit	2,842.24
Deposit	09/30/2012		HSBC - First Niagara	Interest	1,124.24
Deposit	09/30/2012		Key Bank	Interest	667.08
Deposit	09/30/2012		NBT Bank	Interest	1.22
Ending Balance for September 2012					\$ 12,798,475.87

St. Lawrence River Valley Redevelopment Agency

Income	2012 Budget	September-12	YTD	Balance
OPERATING REVENUE- Other				
2409 · Interest Income	100,000.00	4,190.96	55,575.82	100,000.00
2410 · Power Contract Revenue	870,950.00	0.00	0.00	870,950.00
2412 · Miscellaneous Income(App Fees)	2,500.00	0.00	3,712.50	2,500.00
	<u>973,450.00</u>	<u>4,190.96</u>	<u>59,288.32</u>	<u>973,450.00</u>
MASSENA INDUSTRIAL BUILDING LOT18				
2422 - MIB18 - Rent	102,000.00	0.00	31,600.00	70,400.00
	<u>102,000.00</u>	<u>0.00</u>	<u>31,600.00</u>	<u>70,400.00</u>
6486408 · MIB18 - Maintenance Expense	2,000.00	0.00	0.00	2,000.00
6486411 · MIB18 - Insurance Expense	3,850.00	0.00	0.00	3,850.00
6486415 · MIB18 - Cleanup-Repair Expense	2,000.00	0.00	0.00	2,000.00
6486416 · MIB18 - Utility Expense	0.00	0.00	0.00	0.00
6486450 · MIB18 - Property Tax Expense	11,000.00	0.00	11,089.35	(89.35)
6486499 · MIB18 - Miscellaneous Expense	2,000.00	0.00	16.67	1,983.33
6486500 · MIB18 - Depreciation Expense	0.00	0.00	0.00	0.00
	<u>20,850.00</u>	<u>0.00</u>	<u>11,106.02</u>	<u>9,743.98</u>
Total MASSENA INDUSTRIAL BUILDING LOT18	<u>81,150.00</u>	<u>0.00</u>	<u>20,493.98</u>	<u>60,656.02</u>
MASSENA INDUSTRIAL BUILDING LOT19				
2423 · Rental - MIB LOT19	10,000.00	0.00	5,250.00	10,000.00
	<u>10,000.00</u>	<u>0.00</u>	<u>5,250.00</u>	<u>10,000.00</u>
MASSENA INDUSTRIAL BUILDING LOT19				
6487408 · MIB19 - Maintenance Expense	2,000.00	0.00	140.00	1,860.00
6487411 · MIB19 - Insurance Expense	3,850.00	0.00	0.00	3,850.00
6487415 · MIB19 - Cleanup-Repair Expense	2,000.00	0.00	0.00	2,000.00
6487416 · MIB19 - Utility Expense	6,000.00	6.50	111.80	5,888.20
6487436 · MIB19 - Marketing Expense	10,000.00	0.00	0.00	10,000.00
6487450 · MIB19 - Property Tax Expense	11,000.00	0.00	11,326.71	(326.71)
6487499 · MIB19 - Miscellaneous Expense	2,500.00	0.00	16.67	2,483.33
6487500 · MIB19 - Depreciation Expense	0.00	0.00	0.00	0.00
	<u>37,350.00</u>	<u>6.50</u>	<u>11,595.18</u>	<u>25,754.82</u>
Total MASSENA INDUSTRIAL BUILDING LOT19	<u>(27,350.00)</u>	<u>(6.50)</u>	<u>(6,345.18)</u>	<u>(15,754.82)</u>
Operating Expenditures				
6460411 · Director's & Officer's Insurance	3,000.00	962.28	962.28	2,037.72
6460429 · Contractual Expenses-Other	20,000.00	0.00	0.00	20,000.00
6460430 · Contractual Expenses to MED	54,000.00	0.00	27,000.00	27,000.00
6460431 · Contractual Expenses to IDALDC	300,000.00	0.00	300,000.00	0.00
6460433 · Legal Expense	20,000.00	0.00	8,771.73	11,228.27
6460434 · Accounting Expense	3,250.00	0.00	3,300.00	3,250.00
6460442 · Meeting Expense	500.00	0.00	0.00	500.00
6460443 · Other Travel Expense	2,000.00	0.00	367.94	1,632.06
6460450 · Community Devel. & Improve Projects	622,000.00	59,552.00	348,017.00	273,983.00
6460499 · Miscellaneous Expense	2,500.00	39.51	389.20	2,110.80
Total RVRA Operating Expenditures	<u>1,027,250.00</u>	<u>60,553.79</u>	<u>688,808.15</u>	<u>341,741.85</u>
Total Revenue	\$ 1,085,450.00	\$ 4,190.96	\$ 96,138.32	\$ 1,053,850.00
Total Expenditures	\$ 1,085,450.00	\$ 60,560.29	\$ 711,509.35	\$ 377,240.65
Net Income	\$ -	\$ (56,369.33)	\$ (615,371.03)	\$ 676,609.35