

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

AGENDA

*-Agenda Subject to Change-*

**September 17, 2013 at 6:00 PM  
Town of Louisville Municipal Building**

Call to Order	
Roll Call and Determination of Quorum	
Public Notice	<ul style="list-style-type: none"> <li>▪ September 9, 2013</li> </ul>
Presentations	
Approval of Minutes	<ul style="list-style-type: none"> <li>▪ August 20, 2013 ..... 1-2</li> </ul>
Financial Reports	
Committee Reports	
Old Business	
New Business	<ul style="list-style-type: none"> <li>▪ Resolution: “Authorizing Chairman to Sign ‘Agreement Between the Massena Electric Department and the St. Lawrence River Valley Redevelopment Agency’” (TABLED)..... 3-6</li> <li>▪ Authorizing Contract For Repairs and Improvements to Lots 18 and 19 ..... 7</li> <li>▪ Resolution: Accepting 2014 Tentative Budget ..... 8</li> </ul>
Staff Report	
Public Comment	
Executive Session	
Adjournment	

St. Lawrence River Valley Redevelopment Agency  
Minutes of August 20, 2013 Meeting ~ Town of Louisville Municipal Offices, Massena NY

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

Roll Call/Determination of Quorum: Mssrs. Murphy, Strait and Burns attend. New York Power Authority Representative Michael Huvane is in attendance via conference call, while NYPA Representative Karen White is present. A quorum is recognized.

Public Notice: Public notifications were sent August 9, 2013 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: None

Approval of Minutes: Burns/Murphy motion to accept the July 16, 2013 regular meeting minutes. The minutes are accepted unanimously.

Financial Report: Tom Plastino, Chief Financial Officer and Deputy Chief Executive Officer of the St. Lawrence County Industrial Development Agency, reports on the July 2013 Financials noting a negative miscellaneous income entry which records the revenue from the last tenant's security deposit used to do maintenance work on Massena Industrial Park Building Lot 18 and to pay back rent on the building. Murphy/Burns motion to accept the July 2013 financial report. The report is accepted unanimously.

Committee Reports: None

Old Business: None

New Business: Resolution: Authorizing Chairman to Sign "Agreement Between the Massena Electric Department and the St. Lawrence River Valley Redevelopment Agency". Mr. Burns requests the resolution be tabled till next meeting in order to allow the opportunity for questions to be asked of Andrew McMahan, representative of Massena Electric Department. Burns/Murphy motion to table the resolution.

Public Comment:

Luke Daily:

- Refers to the draft minutes of the July 20<sup>th</sup> meeting and questions the reference made to a 15% environmental set-aside for monetization.
- Refers to the draft minutes of the July 20<sup>th</sup> meeting and inquires into a reference of a recent \$10 million from Alcoa and if this is power that Alcoa is not going to use.
- In reference to the draft minutes of the July 20<sup>th</sup> RVRDA meeting, asks for an explanation of what the StartUp New York Program entails and what progress has been made, as the meeting notes indicate that staff have been engaged in discussions with the five local colleges.

Mark Dwonzyck, President and CEO of Nicholville Telephone Company:

- Received positive feedback that the Innovative Grant monies should be coming in soon.
- As a member of the Board of Trustees for Clarkson University, Mr. Dwonzyck has been asked to assist with government relations pertaining to external affairs of the University. In this capacity, he offers assistance to the RVRDA.

Staff Report:

Community Development and Environmental Improvement Fund: Mr. Plastino notes that two grants for 2013 have been completed, FISHCAP and the Village of Waddington, and others are making progress. Four projects have been granted extensions for 2012 and two projects have yet to be expended for the 2011 process. Mr. Plastino notes that all projects seem to be moving towards completion.

Massena Industrial Park Buildings: Richard Williams, Facilities Manager for the St. Lawrence County Industrial Development Agency, advises the members that plumbing and electrical improvements were recently completed on the Lots 18 and 19 Buildings. The Request for Proposal's deadline for roofing improvements and paving, as well as bumpers and docks, are expected next week. Additionally, the buildings are being shown to potential prospects on a regular basis. In reference to Mr. Burns' question, Mr. Williams notes interest is mainly from Canadian prospects. Mr. Williams reminds the group that a recent grant from Empire State Development ("ESD") as part of the North Country Regional Economic Development Consolidated Funding Application Process indicates \$150,000 must be expended in order for the RVRDA to receive a \$60,000 reimbursement from ESD. Mr. Burns inquires into the status of the front section of the Lot 19 building. Mr. Williams indicates maintenance work to the doors and roof are still needed, but they will be ready for occupancy soon. Mr. Williams also responds to a question posed by Mr. Strait regarding tenant financing, stating the buildings are being marketed for sale or lease. Mr. Burns expresses concern over the likelihood that the Lot 19 budget amount will be obtained. Mr. Plastino is reasonably certain this is achievable. Mr. Murphy inquires into the pricing of the buildings. Mr. Williams responds \$3.50 to \$4.00 per square foot, noting this is a reasonable request.

Public Comment:

Luke Daily

- Inquires into the tax roll status of the space to be rented, currently undergoing maintenance improvements, in the front half of the building owned by the RVRDA in the Massena Industrial Park.

Executive Session: Murphy/Burns motion for Execution Session at 6:28 PM to discuss business financials of a particular company.

Return to regular session at 7:25 PM, upon the motion by Murphy/Burns.

Resolution: "Authorizing a Loan of \$51,500 to First Class Aire, LLC". Burns/Murphy motion to accept the resolution. Accepted unanimously.

The meeting is adjourned at 7:26 PM, upon the motion of Murphy/Burns.

Note: The next regularly scheduled meeting of the St. Lawrence River Valley Redevelopment Agency will be held at **6:00PM** on Tuesday, September 17, 2013 at the Town of Louisville Municipal Offices.

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY  
 Resolution No. RVR-13-08-12 (Tabled)  
 August 20, 2013

**AUTHORIZING CHAIRMAN TO SIGN  
 "AGREEMENT BETWEEN MASSENA ELECTRIC DEPARTMENT  
 AND  
 THE ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY"**

**WHEREAS**, the St. Lawrence River Valley Redevelopment Agency (the "Agency") wishes to utilize the assistance and expertise of the Massena Electric Department to assist the Agency in allocating the 20 Megawatts of power made available to the Agency through an agreement with the New York Power Authority, and

**WHEREAS**, the attached agreement has been reviewed by the St. Lawrence County Industrial Development Agency's legal counsel, and

**NOW, THEREFORE, BE IT RESOLVED**, that the Agency Chairman is designated, authorized, empowered and directed to execute and deliver the attached agreement.

**TABLED:** (August 20, 2013)

Move:	Burns			
Second:	Murphy			
<b>VOTE</b>	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Burns	X			
Carroll				X
McNeil				X
Murphy	X			
Strait	X			

I HEREBY CERTIFY that I have compared this copy of this Resolution with the original record in this office, and that the same is a correct transcript thereof and of the whole of said original record.

*/s/*  
 \_\_\_\_\_  
 Lori Sibley 08/20/2013

**REMOVED FROM TABLE:**

Move:				
Second:				
<b>VOTE</b>	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Burns				
Carroll				
McNeil				
Murphy				
Strait				

I HEREBY CERTIFY that I have compared this copy of this Resolution with the original record in this office, and that the same is a correct transcript thereof and of the whole of said original record.

*/s/*  
 \_\_\_\_\_  
 Lori Sibley 09/17/2013

**ADOPT:**

Move:				
Second:				
<b>VOTE</b>	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Burns				
Carroll				
McNeil				
Murphy				
Strait				

I HEREBY CERTIFY that I have compared this copy of this Resolution with the original record in this office, and that the same is a correct transcript thereof and of the whole of said original record.

*/s/*  
 \_\_\_\_\_  
 Lori Sibley 09/17/2013

**AGREEMENT BETWEEN  
MASSENA ELECTRIC DEPARTMENT  
and  
THE ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY**

This AGREEMENT is effective July 1, 2013 (“Commencement Date”), by and between the Massena Electric Department with an office for business located at 71 East Hatfield Street, Massena, New York (hereinafter referred to as “MED”) and St. Lawrence River Valley Redevelopment Agency (hereinafter referred to as “RVRDA”) with an office for business located at 19 Commerce Lane, Suite 1, Canton, New York. The MED and RVRDA are the Parties hereto.

**WHEREAS**, MED is a municipal entity and a department of the Town of Massena, and

**WHEREAS**, MED has assumed the role of counterparty to the beneficial Power Contract with NYPA which will allocate power at the discretion of the RVRDA, and

**WHEREAS**, the Power Contract calls for certain power industry-specific skills to administer, and

**WHEREAS**, MED has the institutional expertise to effectively deal with power issues and the day to day management called for in this Power Contract, and

**WHEREAS**, MED desires to remain a non-political entity dedicated to serving its customers in the Towns of Massena, Louisville, Norfolk, Brasher, and Stockholm, and

**WHEREAS**, the RVRDA would like to contract with the MED to provide day-to-day managerial oversight to its operations and its expertise in the effective use and distribution of the low cost power now available, and

**WHEREAS**, MED can also supply valuable advice in coordinating strategic partnerships with important energy market participants, and

**WHEREAS**, MED can offer other valuable support to economic development and marketing efforts.

**NOW, THEREFORE**, it is hereby agreed among the Parties hereto, for good and valuable consideration, receipt of which is hereby acknowledged, and the mutual covenants herein contained, as follows:

## **I. Services**

Work performed by MED shall include, but is not limited to, the following services:

- A. Provide guidance on the uses and benefits of low cost hydro power
- B. Provide a central point of contact for, and evaluation of, any revised power contract proposals.
- C. Administer the Power Contract with NYPA
- D. Facilitate Strategic Partnerships
- E. Provide advice on energy related issues. If these matters require additional support they will be approved in advance by the RVRDA.
  - i. Outside counsel may be required beyond the scope of MED's expertise for some of these issues, and such costs shall be in addition to the costs set forth in Article III, with costs to be borne by the RVRDA.
  - ii. Outside counsel may be required beyond the scope of MED's expertise for certain technical issues, and such costs shall be in addition to the costs set forth in Article III, with costs to be borne by the RVRDA.
- F. Support Economic Development and Marketing efforts.

## **II. Reporting**

MED shall provide monthly to the RVRDA Board the status of strategic partnerships, updates on energy-related issues that may impact the RVRDA, evaluation of NYPA sales, status of "ultimate user" accounts (both active and potential "ultimate users"), and updates on any other services performed by MED on behalf of the RVRDA.

## **III. Compensation**

MED shall be paid the annual sum of Forty-Eight Thousand and Six Hundred Dollars (\$48,600.00) for the services provided herein.

The payments shall be payable in equal monthly installments payable the 1<sup>st</sup> day of each month during the term of this Agreement and shall be retroactive to July 1, 2013.

Any payment not received by MED by the 15<sup>th</sup> day of the month will incur a late charge of 1.5% of the amount due.

This payment shall be in full satisfaction for all services provided by MED under the terms of this Agreement.

## **IV. Term and Termination of the Agreement**

Services provided under this Agreement shall begin on the Commencement Date and shall continue until the earliest of: (a) a period of one-year terminating on the final day of June, 2014; (b) termination of the Power Contract; (c) mutual consent by both MED and the RVRDA; or (d) "cause", cause being defined as the failure of either Party to abide by the terms of this Agreement

Either Party terminating this Agreement shall provide sixty days prior written notice of their intent to terminate this Agreement.

**V. Miscellaneous**

This Agreement contains the entire agreement and understanding of the Parties. All prior discussions, agreements, and understandings have been merged into the terms hereof.

All Notices required under this agreement shall be in writing and personally delivered, or sent by certified or registered first class mail, facsimile transmission, email, or overnight express mail addressed as follows:

To MED:           Massena Electric Department  
                      Attn: Andrew McMahon, General Manager  
                      71 East Hatfield Street  
                      Massena, New York 13662

To RVRDA:        St. Lawrence River Valley Redevelopment Agency  
                      Attn: Robert McNeil, Chairman  
                      19 Commerce Lane, Suite 1  
                      Canton, New York 13617

This Agreement may only be changed by written agreement of the Parties.

This Agreement may not be assigned except with the written consent of the Parties.

Any disputes shall be resolved through good faith negotiations, and in the event required, the courts of St. Lawrence County.

**ACCEPTED AND AGREED**

For:           Massena Electric Department

By:           \_\_\_\_\_  
                  James Shaw, Chairman  
                  Massena Electric Utility Board

For:           St. Lawrence River Valley Redevelopment Agency

By:           \_\_\_\_\_  
                  Robert McNeil, Chairman  
                  St. Lawrence River Valley Redevelopment Agency

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY  
 Resolution No. RVR-13-09-xx  
 September 17, 2013

**AUTHORIZING CONTRACT FOR REPAIRS AND IMPROVEMENTS TO  
 MASSENA INDUSTRIAL PARK LOTS 18 & 19**

**WHEREAS**, it is the intent of the St. Lawrence River Valley Redevelopment Agency to develop or re-develop an asset base of marketable and competitive sites and buildings to lease or sell for new business expansions, and

**WHEREAS**, in furtherance of this goal, the St. Lawrence River Valley Redevelopment Agency ("RVRDA"), through the St. Lawrence County Industrial Development Agency - Local Development Corporation ("IDA-LDC"), purchased real property known as Lot 18 (Tax ID# 16.027-4-7) and Lot 19 (Tax ID# 16.035-1-15), both located within the Massena Industrial Park, and

**WHEREAS**, the St. Lawrence County Industrial Development Agency advertised for construction services with proposals accepted until 1:00 pm August 27, 2013 and received one proposal, that being from Danko Construction Corporation to perform the required work to enhance the marketability of the sites for new or expanding businesses and thereby promote job creation, and

**WHEREAS**, the work will be performed on a Time and Material basis with a total not to exceed cost of \$140,000, and

**WHEREAS**, the cost of repairs and improvements herewith will qualify for the New York State Empire State Development Corporation allowance of a 40 percent grant reimbursement for said improvements, and

**NOW, THEREFORE, BE IT RESOLVED** that the St. Lawrence River Valley Redevelopment Agency authorizes the SLCIDA-LDC an allocation of up to \$140,000 of its St. Lawrence River Valley Economic Development funds to contract with Danko Construction Corp for repairs and improvements to Lots 18 & 19 in the Massena Industrial Park.

Move:				
Second:				
<b>VOTE</b>	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Burns				
Carroll				
McNeil				
Murphy				
Strait				

I HEREBY CERTIFY that I have compared this copy of this Resolution with the original record in this office, and that the same is a correct transcript thereof and of the whole of said original record.

/s/

Lori Sibley

September 17, 2013

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY  
 Resolution No. RVR-13-09-xx  
 SEPTEMBER 17, 2013

**ACCEPTING 2014 TENTATIVE BUDGET**

**WHEREAS**, the staff of the St. Lawrence County Industrial Development Agency have drafted a 2014 Tentative Budget for the St. Lawrence River Valley Redevelopment Agency, and

**WHEREAS**, the draft Budget was provided to the Agency members prior to the September 17, 2013 meeting, and

**WHEREAS**, Agency members have had an opportunity to review the draft tentative Budget (attached hereto and made a part hereof),

**NOW, THEREFORE, BE IT RESOLVED** that the St. Lawrence River Valley Redevelopment Agency does hereby accept the tentative budget as proposed including modifications and amendments as may be reflected in the minutes of this meeting, and

**BE IT FURTHER RESOLVED** that the Agency will consider comments on the Tentative Budget at the next meeting that is scheduled at least 20 days from the date of this resolution, and may modify the Budget based on those comments or on other information that may come to the attention of the Agency.

Move:				
Second:				
<b>VOTE</b>	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Burns				
Carroll				
McNeil				
Murphy				
Strait				

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*/s/*  
 Lori Sibley 09/1720/13

St. Lawrence River Valley Redevelopment Agency  
2014 Tentative Budget  
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	2012 Actual	2013 Budget	YTD 7/31/13	2014 Budget
<b>OPERATING REVENUE</b>				
2400 · Late Fees Received	0.00	0.00	12.50	100.00
2409B · Interest Income - Banking	26,697.88	30,000.00	8,416.40	16,000.00
2409L · Interest Income - Loans	45,692.16	45,000.00	21,772.06	42,000.00
2424 · NG Marketing Revenue	41,325.00	0.00	0.00	0.00
2450 · Miscellaneous Income(RVRDA)	3,712.50	2,500.00	2,400.00	2,500.00
	117,427.54	77,500.00	32,600.96	60,600.00
<b>Massena Industrial Building Lot 18</b>				
2422 · Rental - MIB LOT18	33,600.00	25,000.00	32,000.00	0.00
	33,600.00	25,000.00	32,000.00	0.00
6486408 · MIB18 - Maintenance Expense	62.50	2,000.00	75.00	2,000.00
6486411 · MIB18 - Insurance Expense	3,556.39	3,850.00	0.00	4,235.00
6486415 · MIB18 - Cleanup-Repair Expense	0.00	2,000.00	0.00	0.00
6486416 · MIB18 - Utility Expense	0.00	0.00	849.00	2,000.00
6486450 · MIB18 - Property Tax Expense	11,089.35	0.00	0.00	0.00
6486499 · MIB18 - Miscellaneous Expense	16.67	2,000.00	0.00	1,000.00
6486500 · MIB18 - Depreciation Expense	7,196.00	7,196.00	0.00	7,196.00
	21,920.91	17,046.00	924.00	16,431.00
<b>Total Massena Industrial Building Lot 18</b>	11,679.09	7,954.00	31,076.00	(16,431.00)
<b>Massena Industrial Building Lot 19</b>				
2423 · Rental - MIB LOT19	5,250.00	25,000.00	14,625.00	29,250.00
	5,250.00	25,000.00	14,625.00	29,250.00
6487408 · MIB19 - Maintenance Expense	140.00	2,000.00	75.00	2,000.00
6487411 · MIB19 - Insurance Expense	1,815.48	3,850.00	0.00	4,235.00
6487415 · MIB19 - Cleanup-Repair Expense	0.00	2,000.00	0.00	0.00
6487416 · MIB19 - Utility Expense	131.30	6,000.00	240.35	2,000.00
6487450 · MIB19 - Property Tax Expense	11,326.71	0.00	0.00	0.00
6487499 · MIB19 - Miscellaneous Expense	16.67	2,500.00	0.00	2,500.00
6487500 · MIB19 - Depreciation Expense	6,804.00	6,804.00	0.00	6,804.00
	20,234.16	23,154.00	315.35	17,539.00
<b>Total Massena Industrial Building Lot 19</b>	(14,984.16)	1,846.00	14,309.65	11,711.00
<b>Miscellaneous Projects</b>				
2455 - Massena Building Improvement Revenue	0.00	0.00	0.00	60,000.00
<b>Total Revenue for Miscellaneous Projects</b>	0.00	0.00	0.00	60,000.00
6775486 - Capital Improvements MIB18	0.00	0.00	0.00	60,000.00
6775487 - Capital Improvements MIB19	0.00	0.00	0.00	90,000.00
<b>Total Expenditure for Miscellaneous Projects</b>	0.00	0.00	0.00	150,000.00
<b>Total Miscellaneous Projects</b>	0.00	0.00	0.00	(90,000.00)

St. Lawrence River Valley Redevelopment Agency  
2014 Tentative Budget  
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**GENERAL OPERATING EXPENSES**

6460411 · Insurance Expense	962.28	1,500.00	0.00	1,000.00
6460430 · Contractual Expenses to MED	54,000.00	54,000.00	27,000.00	48,600.00
6460431 · Contractual Expenses to IDA	300,000.00	300,000.00	300,000.00	300,000.00
6460432 · Other Legal Expense	13,149.23	20,000.00	1,535.00	20,000.00
6460434 · Accounting Expense	3,300.00	3,000.00	2,925.00	3,225.00
6460436 · Marketing Expense	0.00	50,000.00	225.00	50,000.00
6460437 · NG Marketing Initiative Expense	53,952.60	0.00	0.00	0.00
6460442 · Meeting Expense	0.00	500.00	0.00	0.00
6460443 · Other Travel Expense	367.94	1,000.00	0.00	1,000.00
6460450 · CDEIP	738,349.97	556,330.00	126,246.22	0.00
6460450-11 - CDEIP 2011	0.00	0.00	0.00	129,123.00
6460450-12 - CDEIP 2012	0.00	0.00	0.00	68,754.00
6460450-13 - CDEIP 2013	0.00	0.00	0.00	334,750.00
6460499 · Miscellaneous Expense	508.51	1,300.00	29.34	1,000.00
<b>Total General Operating Expenses</b>	<b>1,164,590.53</b>	<b>987,630.00</b>	<b>457,960.56</b>	<b>957,452.00</b>
Total Operating Income	156,277.54	127,500.00	79,225.96	89,850.00
Total Operating Expenses	1,206,745.60	1,027,830.00	459,199.91	991,422.00
Net Operating Income	(1,050,468.06)	(900,330.00)	(379,973.95)	(901,572.00)
Total Other Income	0.00	0.00	0.00	(90,000.00)
Net Income	(1,050,468.06)	(900,330.00)	(379,973.95)	(991,572.00)
Total Depreciation Costs	14,000.00	14,000.00	0.00	14,000.00
<b>Net Income without Depreciation</b>	<b>(1,036,468.06)</b>	<b>(886,330.00)</b>	<b>(379,973.95)</b>	<b>(977,572.00)</b>