

SENECA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
MEETING MINUTES

Regular Meeting
Thursday, May 6, 2021
12:00 Noon
Via Recorded Conference Call open to the public

Attendance:

Board Members Present: Steven Brusso, Chair; Thomas Kime; Menzo Case; Tom Murray; Bruce Murray; Don Trout and Stephen Wadhams
Board Members Absent: Jeff Shipley
Staff Attending: Sarah Davis, Executive Director; Patricia Jones, Deputy Director; Kelly Kline, Office Manager
Others Attending: Robert Kernan, CFO; Robert Hayssen, Chairman Seneca County Board of Supervisors; Mitch Rowe, County Manager; Representatives Merlin Kurtz, Gerald Swartley and Jamie Mesmer from Keystone Mills and Leann West, Strategic Development Specialists

Call to Order:

Chairman Brusso called the meeting to order at 12:00 p.m. A quorum of the Agency's members were present.

Approval of IDA Meeting Minutes of March 25, 2021:

The minutes of the Agency's meeting of March 25, 2021 had been sent to Board members prior to the meeting. A motion was made by Mr. Kime to approve the minutes. Seconded by Mr. Trout. Members, Brusso, Trout, Wadhams, Kime, B. Murray, T. Murray, Case voted "yea". Mr. Shipley absent. Motion carried.

Approval of IDA Special Meeting Minutes of April 6, 2021:

The minutes of the Agency's meeting of April 6, 2021 had been sent to Board members prior to the meeting. A motion was made by Mr. Wadhams to approve the minutes. Seconded by Mr. Trout. Members, Brusso, Trout, Wadhams, Kime, B. Murray, T. Murray, Case voted "yea". Mr. Shipley absent. Motion carried.

Approval of IDA Financial Statements thru March 2021:

The March 2021 financial statements had been mailed to board members prior to the meeting. Mr. Brusso summarized the financial statements for the board. A motion was made by Mr. Case to approve the financial statements. Seconded by Mr. Trout. Members Brusso, Trout, Wadhams, Kime, B. Murray, T. Murray, Case voted "yea". Mr. Shipley absent. Motion carried.

Discussion / Approval of IDA Resolution 2021 – 14 / Keystone Mills Project / Inducement:

A copy of the proposed resolution, project summary and IDA application was provided to board members prior to the meeting. Representatives Merlin Kurtz, Gerald Swartley and Jamie Mesmer from Keystone Mills were in attendance and presented the project to board. Keystone Mills was founded in 1894 and is a family-owned regional feed manufacturer located in Romulus, NY. The company is committed to meeting the nutritional needs of dairy, hog, poultry, beef, sheep and goat producers, offering custom organic and non-GMO feeds. In 2016, they expanded by opening an organic feed milling plant in a leased warehouse in the southeast corner of the old Seneca Army Depot in Romulus, New York. This portion of the business has expanded rapidly, and they have outgrown the organic production facility. They plan to construct a new conventional milling facility and will move from its current leased space to the space the conventional mill operates in currently on Route 336 Romulus, NY. The new conventional mill will have a production capacity of approximately 60 tons per hour and include milling equipment, storage, and warehouse space. The total anticipated investment to construct the new facility, move the organic production, and retrofit the current conventional mill is estimated at \$19 million.

Currently they have 52 full-time and six part-time employees. The proposed expansion will create an additional six full-time employees. This initial resolution accepts the application, authorizes a public hearing as well as the preparation of a cost-benefit analysis. Mrs. Davis advised board members that Keystone Mills is seeking a PILOT, sales tax exemption, and a mortgage recording tax exemption to support this expansion. The proposed resolution was presented as follows:

RESOLUTION OF THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") (i) ACCEPTING THE APPLICATION OF KEYSTONE MILLS, LLC (THE "COMPANY") DATED APRIL 9, 2021 WITH RESPECT TO A CERTAIN PROJECT, (ii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT, (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED WITH RESPECT TO THE PROJECT, AND (iv) AUTHORIZING THE NEGOTIATION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, PILOT AGREEMENT AND RELATED DOCUMENTS

A motion was made by Mr. Case approving the resolution. Seconded by Mr. Trout. Members, Brusso, Trout, Wadhams, Kime, B. Murray, T. Murray, Case voted "yea". Mr. Shipley absent. Motion carried.

RLF Loan Status Report:

A copy of the RLF Loan Status Report was provided to board members prior to the meeting. Mrs. Davis noted that there are currently two outstanding loans, both of which are current. To date there is \$819,780 to lend. This report is for informational purposes only. No motion required.

Discussion / Approval of RLF Loan to Schrader Farms as Recommended by Loan Committee:

A copy of the loan application and supporting documents was provided to board members prior to the meeting. Mrs. Davis advised board members that Schrader Farms is planning to expand operations at their facility in Romulus. They're seeking a \$185,000 loan from the IDA to update their rail system, add an assembly line to their processing room, and add a rollstock machine to their wrapping room. With approval of the loan and expansion, the project will create three full-time employees while retaining 13 full-time and three part-time employees. Mrs. Davis noted that the IDA's Loan Committee met on April 6th and is recommending approval of the \$185,000 loan for a term of 10 years with 2.44% interest to the full board. A motion was made by Mr. Bruce Murray approving the RLF loan to Schrader Farms at the terms noted above. Seconded by Mr. Trout. Members, Brusso, Trout, Wadhams, Kime, B. Murray, T. Murray, Case voted "yea". Mr. Shipley absent. Motion carried.

Standing Item – Update / Seneca County Chamber of Commerce– Jeff Shipley:

IDA Board Member and Chairman of the Chamber Board, Bruce Murray provided an update on behalf of Mr. Shipley, who was absent. Mr. Murray noted that Mr. Shipley has been investing a lot of time into the tourism sector, identifying digital advertising for the county which will allow for a substantial increase in tourism. Also, Mr. Shipley has identified a technology that is able to track visitors to the County who are frequenting certain tourist destinations, via their cell phones. Lastly, the One Seneca effort, that originated with the IDA, is still ongoing and the Chamber plans to bring it back to the table in the upcoming months.

Standing Item – Update / Seneca County Board of Supervisors – Don Trout:

Mr. Trout advised board members that significant progress has been made regarding the transfer of the Route 414 sewer line to the County, currently owned by the IDA. In their executive session at their last meeting, the Board of Supervisors discussed creating a new sewer district four. This would allow the County to take the line and start a fund to cover future repairs to the line. In regard to the current issue of repairs, which are approximately \$47,000 and are needed in order for the transfer to take place, the Board of Supervisors is suggesting that the IDA and the County split the cost of these repairs. Mrs. Davis noted that the board will discuss this issue in Executive Session.

Executive Session:

Chairman Brusso requested a motion to enter into Executive Session for the discussion of Session regarding a proposed, pending or current litigation matter and to discuss the medical, financial, credit or employment history of particular persons, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of particular person or corporation. A motion was made by Mr. Wadhams at 12:34 p.m. to enter into Executive Session. Seconded by Mr. Case. Motion carried. A motion was made by Mr. Case at 1:19 p.m. to come out of Executive Session. Seconded by Mr. Kime. Motion carried.

Salary Adjustment:

A motion was made by Mr. Wadhams to approve a \$4,000 annual salary increase for Executive Director, Sarah Davis effective May 1, 2021. Seconded by Mr. Kime. Members, Brusso, Trout, Wadhams, Kime, B. Murray, T. Murray, Case voted "yea". Mr. Shipley absent. Motion carried.

Adjournment:

A motion to adjourn the meeting was made by Mr. Case. Seconded by Mr. Wadhams. Motion carried. The meeting adjourned at 12:50 p.m.

The next regular scheduled meeting will be held on **June 3, 2021, 12:00 Noon.**

Respectfully submitted,

Stephen Wadhams
Secretary

pc: Margret Li, Clerk to the Board of Supervisors