

Onondaga County Industrial Development Agency
Regular Meeting Minutes
March 13, 2018

A regular meeting of the Onondaga County Industrial Development Agency was held on Tuesday, March 13, 2018 at the 333 West Washington Street, Syracuse, New York in the large conference room on the first floor.

Patrick Hogan called the meeting to order at 8:01 am with the following:

PRESENT:

Patrick Hogan
Fanny Villarreal
Steve Morgan
Janice Herzog

ABSENT:

Susan Stanczyk
Kevin Ryan
Victor Ianno

ALSO PRESENT:

Julie Cerio, OCIDA, Executive Director
Isabelle Harris, Secretary
Nate Stevens, Treasurer
Karen Doster, Recording Secretary, Agency
Tony Rivizzigno, Barclay Damon Law Firm
Mike Lisson, Grossman St. Amour PLLC
John Mashia, IMS, Inc.
Deb Parker, IMS, Inc.
Lee Vanderpool, IMC, Inc.
Dinesh Ramanathan, NexGen Power Systems
Narayanan Karuvapatantha, NexGen Power Systems
Ken Bush, Onondaga County Legislature
Mitch Latimer, Carpenter's Union
Lauryn LaBorde, Syracuse School District
Rick Moriarty
Dan Mesineo
Charles McChesney

APPROVAL OF REGULAR MEETING MINUTES – FEBRUARY 6, 2018

Upon a motion by Fanny Villarreal, seconded by Janice Herzog, the OCIDA Board approved the regular meeting minutes of February 6, 2018. Motion was carried.

TREASURER'S REPORT

Nate Stevens gave a brief review of the Treasurer's Report for the month of February 2018.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved the Treasurer's Report for the month of February 2018. Motion was carried.

PAYMENT OF BILLS

Nate Stevens gave a brief review of the Payment of Bills Schedule #416 totaling.

Upon a motion by Janice Herzog, seconded by Fanny Villarreal, the OCIDA Board approved the Payment of Bills Schedule #416 for \$77,478.20 and PILOT payments to the Town of Clay for \$652.00, Town of Lysander for \$2,529.00, Town of Van Buren for \$34,804.42, Village of Baldwinsville for \$11,065.00, Baldwinsville Central School District for \$241,712.57, North Syracuse Central School District for \$5,629.00, Syracuse Central School District for \$49,937.00, City of Syracuse for \$26,664.00 and Onondaga County for \$88,132.66. Motion was carried.

CONFLICT OF INTEREST DISCLOSURE

The Conflict of Interest statement was circulated and there were no comments.

REVIEW AND APPROVE 2017 ANNUAL AUDIT

Mike Lisson stated the audit went extremely well, no significant issues, no material weakness in controls, unmodified audit opinion and management was great to work with. He stated everything was finished timely and no issues or concerns from his standpoint.

Upon a motion Fanny Villarreal, seconded by Steve Morgan, the OCIDA Board approved a resolution approving the 2017 Audit of the Agency. Motion was carried.

IMMEDIATE MAILING SERVICES, INC., IMS, INC.–MORTGAGE SALES AND USE TAX

Julie Cerio asked for a brief rundown of what IMS does and their plans. John Maisha stated IMS is a communications organization that began in 1986 and specialize in transactional printing and E-communication. He stated they print bills and critical communications. He stated they do this for organizations across the country and Canada daily. He stated they service financial services, healthcare and government agencies and currently employ 240 company-wide mostly in New York but they do have an office in DC. He stated in their Liverpool location where they are headquartered they employ 148 people. He stated their goal is to continue growth over the next handful of years to 170 and last quarter they added 24 jobs so they are on an upward swing. He stated they want to stay in Central New York, keep growth here and add jobs.

Julie Cerio asked what the plan is for the current expansion. Deb Parker stated at 245 Commerce Boulevard they are going to bump out the back wall and add 65,000 square feet to add more equipment. She stated in February this year they purchased the building across the street and will add 5,000 square feet to that building as well. John Maisha stated they are going to make areas in the buildings more efficient and will be rehabbing for additional production space to support the growth they are seeing.

Julie Cerio stated this is such a great company locally and asked about how the company began. John Maisha stated they started off of Carrier Circle with 3 to 4 employees and manually processed mail by hand. He stated one of the things they do is combing mail for postal discounts. He stated they evolved from manual processing of mail to now they have the same processing equipment as the US Postal Service has and are licensed as a partner with USPS. He stated they have grown to not only processing mail as a finished product but taking data from the customers, bringing it in and finishing the data into statements and deposit in the mail. He stated they also deal with direct mail and anything to do with communications, electronic, mail forwarding and that type of thing.

Isabelle Harris asked IMS to talk about the veteran's piece as part of their employment. John Maisha stated they have had a successful partnership through NICE and New York State for Individuals with Disabilities. He stated they also partner with the Center for Disabilities Services in Albany. He stated as an organization they are always looking for good people and

they have entry level jobs not everyone wants to do so they would certainly like to find ways to employ veterans.

Fanny Villarreal stated congratulations on the new 24 jobs in the last quarter and asked what kind of jobs, the pay and where are they. John Maisha stated there is a full range of jobs primarily in the New York headquarters and are entry level production work at \$15-\$20 per hour up to IT level positions paying \$60,000 to \$70,000.

Fanny Villarreal asked what type of jobs are the 30 they plan to create. John Maisha stated they are very similar. He stated IT is an important part of what they do so there are technology jobs and production jobs from management to entry level.

Fanny Villarreal stated IMS has a partnership with disability organizations and asked how many have been employed. John Maisha stated about 20. He stated they are an associate member of NYSID and these agencies have helped bring employees in with disabilities. He stated they are in the Liverpool location, buffalo, Rochester and some in Albany.

Patrick Hogan stated the organizations will procedurally let them know who can fill these jobs. John Maisha stated yes. He stated they thought after hearing about the Veteran's program it would be a great fit. He stated there are stronger organizations and areas to help place those individuals with disabilities and it has been good for their organization.

Fanny Villarreal asked if they have heard of UN Task Force which is a group of community people helping people from their community to get jobs. John Maisha stated he doesn't have much information on them but certainly open to hearing about them. Julie Cerio stated staff can connect you with numbers on how to get in touch with them.

Nate Stevens stated what was impressive was how wide the reach is and nationwide. John Maisha stated they do business coast to coast and in Canada on a daily basis serving financial services and health care organizations. He stated they service about 250 community credit unions across the country. He stated he stated it has become more technology centric so they are trying to compete with publicly traded companies and they are doing well with that but they need to continue their investment in that technology. He stated they are putting out over 1.5 million

critical communications daily. He stated they are growing and they are bringing this work back to Central New York.

Julie Cerio stated their facility is impressive with what they get done and they are bursting at the seams. She stated they are civically responsible in ensuring they are hiring from all different backgrounds and working with veterans is great. She stated they are a great company.

Steve Morgan asked if acquisition or sales is driving their growth. John Maisha stated it is not through acquisition although they are evaluating some right now. He stated it is through sales efforts. He stated they have done very well by reputation and word of mouth.

Steve Morgan asked if they typically do contracts with their customers. John Maisha stated yes and they try to put parameters around that to make sure they are servicing their goals.

Janice Herzog asked who their main competition is. John Maisha stated they do have competition but there are not too many people locally that do what they do. He stated regionally there are a few players. He stated when you look at companies that do \$2 billion to \$5 billion in revenue; they are a small company in CNY that is able to win some. He stated they want to keep growing and there is a pot out there they feel they have an opportunity in servicing. He stated the investment in technology and employees is big to be able to keep up with some of those companies.

Upon a motion by Janice Herzog, seconded by Fanny Villarreal, the OCIDA Board approved a resolution describing the proposed Immediate Mailing Services, Inc. project and the financial assistance the Agency may provide and authorizing a public hearing of the project. Motion was carried.

Upon a motion by Janice Herzog, seconded by Fanny Villarreal, the OCIDA Board approved a resolution authorizing the execution of the Agent Agreement outlining the responsibilities of the Project Applicant (Immediate Mailing Services, Inc.) and Agency for the project. Motion was carried.

NEXGEN POWER SYSTEMS, INC. - PILOT, SALES AND USE TAX (AMENDED APPLICATION)

Tony Rivizzigno stated the resolution for NexGen was already passed. He stated we were under a deadline because they were also getting a grant from the State and that didn't come through until that last minute. He stated we had to get our PILOT agreement filed before March 1 for next year's taxes or it would have been a substantial tax consequence to the company. He stated as a result we were not able to get everything coordinated so we are doing it now. He stated the amendment to the original agreement is ESD had a recapture provision for their grant and their time frame and employee numbers were different than ours so everyone thought it would be in the best interest to have the same schedule. He stated the amendment to the resolution puts both schedules together, we still have our recapture and ESD still has their recapture.

Janice Herzog stated we really didn't change and asked if any dates were changed. Tony Rivizzigno stated we did change a little bit and NexGen's numbers for employees were higher for ESD than ours so we have adopted ESD's. He stated our originally number was 75% of the number of employees they had to meet and it is now 85%. He stated ESD's are stronger than ours and puts us in a better situation. He stated the recapture numbers are the same.

Dinesh Ramanathan stated they are ready to go from their end. He stated the job descriptions go up on their website the end of today. He stated thank you for working with them and making this happen.

Fanny Villarreal asked where are the job descriptions. Dinesh Ramanathan stated they are on their website and will go live tonight. He stated the website is www.nexgenpowersystems.com.

Upon a motion by Janice Herzog, seconded by Fanny Villarreal, the OCIDA Board approved a resolution to amend the agreement matching the Empire State Development agreement. Motion was carried.

800 HIAWATHA BOULEVARD – ROTH STEEL

Isabelle Harris stated that when then Board chose ERSI no dollar amount was put on it. She stated staff talked with John Ciampa and he is going to monitor the hours on the site to do the

work. She stated based on the ERSI's figures and what John thought it would take to complete the work, \$500,000 is the actual number that should be requested from the Board.

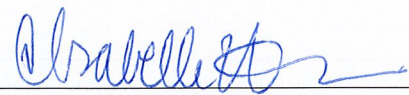
Tony Rivizzigno stated at the last meeting the Board chose ERSI but we don't have a contract with them yet.

Julie Cerio stated the reason it is on again is because they listed on the RFP different job categories and dollar amounts for their hourly rate. Isabelle Harris stated there were no specific hours for employees actually doing the work.

Steve Morgan asked if we are authoring money to Spectra to pay the subcontractor. Isabelle Harris stated the bills will come and John Ciampa will look them over with her to make sure we are in agreement. She stated they are going to have to get preapproval before doing anything. She stated we are paying subcontractor and there is a fee for John Ciampa's consultation.

Upon a motion by Fanny Villarreal, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing to pay up to \$500,000 to ERSI for services related to the RFP at 800 Hiawatha Boulevard. Motion was carried.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board adjourned the meeting at 8:44 am. Motion was carried.



Isabelle Harris, Secretary