

Onondaga County Industrial Development Agency
Regular Meeting Minutes
May 10, 2016

The regular meeting of the Onondaga County Industrial Development Agency was held on Tuesday, May 10, 2016 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 7:58 am with the following:

PRESENT:

Patrick Hogan
Victor Ianno
Janice Herzog
Susan Stanczyk

DELAYED:

Jessica Crawford
Steve Morgan

ALSO PRESENT:

Julie Cerio, OCIDA, Executive Director
Nathan Stevens, Treasurer Agency
Isabelle Harris, Secretary
Karen Doster, Recording Secretary, Agency
Tony Rivizzigno, Gilberti Law Firm
Joe Frateschi, Harris Beach
Gail Cawley, JMA Wireless
Robert Smith, CCF for JMA
Kathy Alaimo, Syracuse Label
Carmen Emmi, Prima Terra
Tony Mangano, Prima Terra
Kevin McAuliffe, Barclay Damon
Martin Crume, Cintas
Adam Levinson, Cintas
Sara Wisniewski, Gilberti Law Firm
Aggie Lane
Joe Porter
David Silverman

APPROVAL OF REGULAR MEETING MINUTES – APRIL 12, 2016

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved the regular meeting minutes of April 12, 2016. Motion was carried.

TREASURER'S REPORT

Nate Stevens gave a brief review of the Treasurer's Report for the month of April 2016.

Upon a motion by Susan Stanczyk, seconded by Victor Ianno, the OCIDA Board approved the Treasurer's Report for the month of April 2016. Motion was carried.

PAYMENT OF BILLS

Nate Stevens gave a brief review of the Payment of Bills Schedule #395.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved the Payment of Bills Schedule #395 for \$18,262.29 and PILOT payments to Town of Camillus for \$4,254.58, Town of DeWitt for \$11.61, Town of Elbridge for \$1,733.48, Town of Geddes for \$57.67, Town of Onondaga for \$2.36, Village of Camillus for \$735.78, Village of Solvay for \$460.96, Jamesville DeWitt Schools for \$75.95, Jordan Elbridge Schools for \$14,675.02, Marcellus Schools for \$219.65, Solvay Schools for \$2,942.71, West Genesee Schools for \$10,334.04, City of Syracuse for \$1,177.54 and Onondaga County for \$6,726.04. Motion was carried.

CONFLICT OF INTEREST DISCLOSURE

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

O'CONNELL ELECTRIC COMPANY, INC.

Isabelle Harris stated there were no comments at the public hearing and no written comments.

Joe Frateschi stated O'Connell Electric is taking over an abandoned facility in the Hancock Airpark and renovating it to include warehousing and office space. He stated O'Connell Electric does electrical infrastructure work for major Onondaga County institutions. He stated moving from East Syracuse to the Cicero facility is necessary to maintain its competitive position in its

industry and will allow O'Connell to retain its 100 employees in Onondaga County and grow as they anticipate hiring 35 employees.

Pat Hogan asked if O'Connell Electric is an IBEW contractor and most of the employees are members of the IBEW. Joe Frateschi stated yes.

Upon a motion by Victor Ianno, seconded by Susan Stanczyk, the OCIDA Board approved a resolution of the Board for SEQRA purposes determining that the O'Connell Electric Company, Inc. project will not have a significant effect on the environment and requires no further environmental review. Motion was carried.

Upon a motion by Susan Stanczyk, seconded by Victor Ianno, the OCIDA Board approved an inducement resolution of the Board for a straight lease transaction for the O'Connell Electric Company, Inc. project consisting of the development of manufacturing space in the Town of Cicero. Motion was carried.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing the execution and delivery of closing documents. Motion was carried.

JMA WIRELESS

Gail Cawley stated JMA Wireless is a manufacturing company located in Liverpool and looking to expand their existing business. She stated their focus is on cellular and wireless business. She stated the necessity for data, voice data or whatever is becoming more prevalent and they want to expand the materials they make here. She stated they sell around the world and they want to grow their business here in Central New York. She stated they are located on Henry Clay Boulevard in a 172,000 square feet facility. She stated they lease out approximately 40,000 square feet to FedEx and slated to leave in September. She stated their goal is to expand to that area and grow. She stated they are looking to expand to the building adjacent to JMA as a customer experience center and accommodate growth they are having. She stated they are proposing to expand the campus even further if necessary as they relocate people and machinery going in the building. She stated they are potentially looking at another building for a café or a multipurpose building for meetings and employee cafeteria.

Pat Hogan asked if there will be another 120 jobs. Gail Cowley state yes.

Pat Hogan asked if JMA assembles the product. Gail Cowley stated it is more than assembly. She stated on the connector side they take metals, mill it down, plate it and assemble it. She stated they purchased an antenna business down in Maryland and that business is primarily assembly but their goal is to also make some of the components here in the same building.

Pat Hogan asked what the average salary is. Gail Cowley stated average salary is around \$14.00 per hour for the craft people doing assembly. She stated they are seeing their growth will be on the assembly side but a big portion is going to be on the engineering side. She stated they are partnered with the various colleges in Central New York and RIT is a big feeder for them.

Patrick Hogan asked if the customer experience center brings people in to show the product. Gail Cowley stated the customer experience center will allow them to highlight their products which changes constantly. She stated they want to bring people in from around the world, take them through the facility, show them the manufacture assemble, show them in a real life scenario what their products do in a marketing type of format and training. She stated there is a training component for this not only for employees but people from around the world to show how it improves their business objectives.

(Jessica Crawford arrived at meeting)

Janice Herzog asked who JMA's clients are. Gail Cawley stated their primary client is Verizon. She stated anywhere there is a need for wireless activity would be their customer.

Victor Ianno asked if JMA is locally owned. Gail Cowley stated they are a privately owned company here in Central New York.

Janice Herzog asked if the Maryland company employees came here. Gail Cowley stated JMA purchased the company in 2013 and it was under duress with their primary focus to grow. She stated they made a commitment to the largest customer to improve the company. She stated they added 105 jobs within 3 weeks to 3 months. She stated Maryland still exists and still trying to grow here in CNY. She stated they support the same customer base.

Robert Smith stated that JMA will not be seeking mortgage recording tax. Tony Rivizzigno stated that a PILOT was agreed to but the PILOT payments have not been finalized yet.

(Steve Morgan arrived at meeting.)

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved a resolution describing the proposed JMA Wireless project and the financial assistance the Agency may provide and authorizing a public hearing. Motion was carried.

Upon a motion by Janice Herzog, seconded by Victor Ianno, the OCIDA Board approved a resolution authorizing the execution of the Agent Agreement outlining the responsibilities of the Developer and the Agency for the JMA Wire Project. Motion was carried.

SYRACUSE LABEL

Kathy Alaimo stated they have started the project and the equipment was delivered on Friday. She stated the project increased due to the size of the building along with changes in their systems. She stated it is quite an expense but it is also a huge energy saver. She stated it will also provide them with redundancy in case any issues arise. She stated they also put in HVAC and humidity climate controls which were a lot more than anticipated. She stated they are trying to be as energy contentious as possible with the facility. She stated they are running two shifts on a press now. She stated they have had to rent additional facility space because they have no more room in their facility to continue to manufacture. She stated they are on a very fast track. She stated the project is starting now with a finish date of October 31. She stated they will start their move on November 1 and will take about 6 to 8 weeks.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved a resolution amending the resolution of the Board increasing the sales tax exemption benefits and authorizing a public hearing for the proposed project. Motion was carried.

PRIMA TERRA

Kevin McAuliffe stated Prima Terra is seeking a local access waiver on 2 elements on the Prima Terra project. He stated there are 2 pieces to the construction specked by the architect that the materials and the labor to install could not be procured locally. He stated the first is hollow core concrete planking which will make the floor or decking. He stated there are no manufacturers in the 10 county region and the closest one Say-Core, is located in Pennsylvania. He stated with part of the warranty, often with a specialized product of this nature, only exists if they install it. He stated they check with all local manufacturers, concrete people, and masonry companies and no one makes precast concrete hollow core. He stated Say-Core only warrants their product if their men install. He stated the second is a more unique product called ICF which stands for Insulated Concrete Forming. He stated it creates a well insulated, solid structure and is more expensive than putting up block or something of that nature. He stated you end up with a much better product especially for a hotel. He stated it has more rigidity, better insulation over time and noise deadening throughout. He stated the company that manufactures the material, Nudura, has certified installers. He stated they have classes, training and they have gone to them twice to verify there were no installers of this locally. He stated the general contractor asked everyone and there were no yeses locally. He stated they have one company that could install this so they are asking for a waiver for both Cotton Concrete and Say-Core.

Steve Morgan asked if this is a newer process. Kevin McAuliffe stated Hollow Core has been around for a long time and the panels have existing since the 1960's. He stated it doesn't often to get used because it is cheaper to throw up some light metal and put concrete over it.

Steve Morgan stated it is better construction. Kevin McAuliffe agreed and said it is a much better construction.

Patrick Hogan stated the documentation submitted was extensive. Kevin McAuliffe stated they tried to give the Board everything to demonstrate it's not an end run, it's a very small portion of the project and they made every attempt to get local labor associated with these two products but it is not possible.

Patrick Hogan stated maybe down the road the company will look at that and manufacture here in Syracuse and CNY area. Kevin McAuliffe stated he thinks the ICF is a great product and it is something in the future.

Upon a motion by Victor Ianno, seconded by Steve Morgan, the OCIDA Board approved a resolution waiving the Agency's local access policy for the engineering, manufacturing and erection of precast planks by Say-Core, Inc. for the Prima Terra Properties. Motion was carried.

Upon a motion by Victor Ianno, seconded by Susan Stanczyk, the OCIDA Board approved a resolution waiving the Agency's local access policy for the installation of insulating concrete forms by Cotton Concrete for the Prima Terra Properties. Motion was carried.

CINTAS

Martin Crume stated they are requesting waivers on 4 of their subs for the labor and installation of the equipment. He stated their interpretation from the local access policy agreement included warranty and special skills. He stated they are currently leasing a facility close to the new Henry Clay site and relocating that equipment. He stated E-Tech Systems, Material Flow and Jensen typically install the equipment with their installers and the installers typically travel the country. He stated they have had great success growing in the Syracuse market and they had to open a 2nd facility. He stated they will have to move the equipment in phases and will be installed by the 3 companies. He stated the other is Fabcon and they install their equipment themselves. He stated they are a union company and the local union hall recognizes the specialized skill but more importantly the safety aspect of these concrete wall panels that weigh up to 30,000 lbs.

Julie Cerio asked Mr. Crume to talk about their extensive search of local labor. Martin Crume stated they started with the building contractor they already have for the construction of the building. He stated they have letters from them. He stated they were asked if they can install the system and who do they recommend and the response was they don't, they don't know who and the systems are installed by the manufacturer for the warranty and the specialized skill required.

Steve Morgan asked what type of systems and asked are they laundering systems. Martin Crume stated they are laundering. He stated there are 3 different systems and one sorts and organizes the soiled garments, then they are dropped in the Braun washing machine locally and once the garment is cleaned the 2nd system is clean sorting. He stated once the garments are clean they are sorted back into order per client, day of delivery and employee. He stated Material Flow makes the storage equipment so there is a stock room and all the clean garments are stored overhead. He stated all 3 of the structures are roof supported and work over each other.

Upon a motion by Victor Ianno, seconded by Steve Morgan, the OCIDA Board approved a resolution waiving the Agency's local access policy for Cintas installation for the systems installation and initial testing of a soil sort system by E-Tech Systems, Inc. Motion was carried.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution waiving the Agency's local access policy for the furnishing and installation of the exterior precast concrete wall panels by Fabcon Precast, LLC. Motion was carried.

Upon a motion by Victor Ianno, seconded by Steve Morgan, the OCIDA Board approved a resolution waiving the Agency's local access policy for the installation of the Metricon Automated Garment Sortation System by Jensen USA, Inc. Motion was carried.

Upon a motion by Janice Herzog, seconded by Jessica Crawford, the OCIDA Board approved a resolution waiving the Agency's local access policy for the design and installation of the clean garment trolley system by Material Flow Systems. Motion was carried.

COMMERCIAL INSURANCE FOR 800 HIAWATHA BOULEVARD PROPERTY UPDATE

Julie Cerio stated at the last meeting we were unsure of the cost and she was authorized to get the insurance and report back. She stated the cost annually is \$15,917.

Victor Ianno asked if the insurance is for liability in case anyone goes out there and gets hurt. Julie Cerio stated yes.

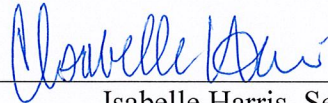
Victor Ianno asked if there is anything else we need. Tony Rivizzigno stated he thinks that is it and we are covered for anything else. He stated it is relatively inexpensive. He stated there are a few things we had to do like post it and buy a lock as part of the requirement for the insurance.

Pat Hogan asked how secure the site is and is there a way to make it more secure. Tony Rivizzigno stated it is as secure as we can make it. Julie Cerio stated you can't drive in but it is open on the lake side. Isabelle Harris stated that there are gates and it is mostly fenced.

Victor Ianno stated we are waiting for the engineers to let us know what they find and then we take the appropriate action. Julie Cerio stated yes.

Upon a motion by Janice Herzog, seconded by Victor Ianno, the OCIDA Board approved a resolution accepting Brown and Brown of New York, through LoVullo & Associates to provide commercial insurance at 800 Hiawatha Boulevard at a total cost of \$15,917.00. Motion was carried.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board adjourned the meeting at 8:32 am. Motion was carried.



Isabelle Harris, Secretary