

**Watertown Industrial Center Local Development Corporation
Board of Directors' Special Meeting
July 11, 2012
Minutes**

The Watertown Industrial Center Local Development Corporation held a special board meeting on Wednesday, July 11, 2012 in the conference room of the JCIDA, 800 Starbuck Avenue, Watertown, New York.

Present: Donald Rutherford, J. Paul Morgan, Nickolas Darling, W. Edward Walldroff, Michelle Capone

Others Present: Donald Alexander, Billy Soluri, Lyle Eaton, Peggy Sampson, Keith Caughlin, Esq.

Excused: None

Absent: Carolyn Fitzpatrick, John Doldo, Jr.

- I. Call to Order:** Mr. Rutherford called the meeting to order at 8:56 a.m.
- II. Pledge of Allegiance**
- III. Special Business – Discuss future of corporation:** Mr. Rutherford said that a special meeting was called to discuss the future of the WICLDC from the passage of the home rule legislation. He said that he sees that the Board has three options: 1) Fold into the JCIDA, 2) JCIDA lease the WCBI facility and the WICLDC Board remain in place with employees being leased from JCIDA, or 3) Go on their own, hire staff, and create a benefit package, etc.

Ms. Capone had a question for Option 2. She wondered how the Board could continue their fiduciary duties. Mr. Alexander said they would be addressed through the lease with the JCIDA. Ms. Capone said that all services that have been provided by the IDA should be reviewed.

Mr. Walldroff said that there should be an indemnity in the file that should be preapproved, to ensure that whatever direction they go, the Comptroller signs off on it.

Attorney Caughlin indicated that it is tricky to use the word 'lease'. He said that there is a PILOT in place that lasts until December 2015. At that point, the WICLDC has the option to purchase the facility from the JCIDA for \$1 and would then own and pay taxes on the facility. Attorney Caughlin also said that he did look into the environmental indemnification and that it can be transferred.

At this time, the Board talked about the possibility of dissolving the Corporation and the JCIDA taking over the facility.

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Board members had concerns with the current PILOT and the taxing jurisdictions. Mr. Eaton indicated that there is a real estate component built in to each tenant lease that is currently being collected. He said that will continue and taxes will continue to be paid. Mr. Alexander indicated that he would informally reach out to the affected taxing jurisdictions.

Attorney Caughlin said that if the WICLDC dissolves, then their debt would have to be paid and the assets would be transferred over to the JCIDA. He said that this was more of an informative meeting as he needs more time. He indicated that he needs to talk to Attorney Jim Heary and Attorney Justin Miller to get more information, and then he will send a memo to the board members for them to consider the pros and cons of why the WICLDC could remain in existence.

Mr. Alexander indicated that Harris Beach attorney's are currently drafting resolutions for the new structure and will try to have them informally blessed by the Comptroller's Office.

At this time, the board decided that Option 3 (go on own) is off the table. Attorney Caughlin said that it sounds like the board is in agreement to dissolve the corporation, but he wants to make sure that it is done right.

It was decided that Mr. Caughlin would reach out to Board Members once he has more information to share and another special meeting will be scheduled in the near future.

- IX. Adjournment:** With no further business before the Board, a motion was made to adjourn by Mr. Darling, seconded by Mr. Rutherford. All in favor. The meeting adjourned at 9:38 a.m.