

**Watertown Industrial Center Local Development Corporation
Board of Directors' Meeting
December 2, 2014
Minutes**

The Watertown Industrial Center Local Development Corporation held a board meeting on Wednesday, December 2, 2014 in the Watertown Industrial Center board room, 800 Starbuck Ave., Watertown, New York.

Present: Michelle Capone, Donald Rutherford, J. Paul Morgan, Carolyn Fitzpatrick, Nic Darling, Mark Bellinger

Excused: Kent Burto

Staff: Billy Soluri

Others Present: Keith Caughlin, Esq. (Schwerzmann & Wise, P.C.)

- I. **Call to Order:** The meeting was called to order at 8:35 AM
- II. **Meeting Minutes:** Motion by N. Darling and second by P. Morgan to approve the meeting minutes from the October 29, 2014 regular board meeting. All in favor; motion carried.
- III. **Financial Report:** B. Soluri presented the financials for November 2014. He noted an operating deficit of \$2,191.75 before depreciation. Taxes in the amount of \$10,835 were paid. P. Morgan noted on the income statement before depreciation that the Total Expense row was incorrect. B. Soluri noted that he would fix. B. Soluri noted on the balance sheet that Work in Progress was comprised primarily of the JCLDC and Watertown AirSoft projects. He noted maintenance was up in November due to several unexpected repairs. On a motion by P. Morgan and second by N. Darling the financial statements for November 2014 were accepted. All in favor; motion carried.
- IV. **Correspondence:**
 - i. B. Soluri presented Golder Associates' on-site soil vapor intrusion work plan progress report for October 2014. DEC notified Golder that they no longer require monthly reports. They will begin accepting annual reports.
- V. **Committee Reports**
 - i. B. Soluri reported that the Watertown Airsoft Project should be completed next week. The project is within budget.
 - ii. B. Soluri reported that the JCLDC project exceeded the budget by \$29,644.77. This was due primarily to the sewer project, relocation of the electrical panel, and closing fees that were not originally budgeted. The JCLDC will pay for these additional costs. On a

motion by N. Darling and second by P. Morgan, the WIC LDC will request an additional \$29,644.77 from the Watertown Local Development Corporation which will be added to the WIC's current loan of \$450,000. The JCLDC's lease will increase accordingly to repay the debt. All in favor; motion carried.

VI. Unfinished Business:

- i. B. Soluri presented a proposal from Aubertine and Currier to complete a structural analysis of Building D and provide cost estimate to construct new building on existing slab B or C. The cost for the report is \$3,200. The facilities committee reviewed and recommends to the board for approval. On a motion by C. Fitzpatrick and second by M. Bellinger Aubertine and Currier will be hired for \$3,200 to complete a structural analysis of Building D and provide cost estimate to construct a new building on existing slab B or C. All in favor; motion carried.
- ii. B. Soluri reported that the cost estimate to replace the Building C roof came in much higher than anticipated. Upon discussion with the facilities committee it was recommended that we move forward with the repairs to the roof and look for funding to replace the roof in 2015. This repair was previously approved by the board.
- iii. D. Rutherford asked for volunteers to appoint to the PILOT committee. The PILOT comes due in December 2015. M. Capone, D. Rutherford and M. Bellinger will comprise the PILOT committee with B. Soluri and K. Caughlin.

VII. New Business:

- i. B. Soluri presented a request from NYTRIC to allow the company to take-over in their lease the restrooms that are currently considered common area restrooms. Currently the tenants share a common kitchen and restrooms. NYTRIC would like to take this common area over. WIC would then build new common area restrooms. NYTRIC recently signed a 5-year lease and is making improvements to their space. They have agreed to pay for the design and renovation permits. B. Soluri received 3 bids for the work and the lowest bid was from Capital Construction in the amount of \$3,660. The facilities committee has reviewed the request and recommends it to the board for approval. On a motion by N. Darling and second by M. Bellinger the board agreed to move forward with the renovation project to create a new common area restroom utilizing Capital Construction in the amount of \$3,660. All in favor; motion carried.
- ii. B. Soluri presented a request from Black Horse Group which recently moved into the vacated space of the JCLDC. Black Horse had asked the WIC to give them a credit to their rent for the \$9,843.06 in improvements they made to the space. The facilities committee reviewed and recommended that the WIC would split the cost of the improvements with the tenant. The base rent would become \$3.47 with a 2% increase in 12 months. The credit would last for 24 months. The base rent is within the WIC's breakeven rent amount. This concession was contingent upon Black Horse signing a new lease which the company did for an additional 2 years. The facilities committee reviewed and recommends for approval. On a motion by M. Bellinger and second by C.

Fitzpatrick the WIC will split the cost of the improvements with Black Horse Group in the form of a rent credit over the next 24 months with Black Horse Group extending their lease for an additional 2 years. All in favor; motion carried.

iii. B. Soluri presented a proposal from Creekside Mental Health Counseling Practices to make improvements to their space. They recently signed a lease for 774 sq ft in Building A for 2 years. The project would create two rooms within a larger space and is estimated to cost \$2,400. The project would be paid for by Creekside through a LHI loan in the amount of \$2,400 at 3% over 24 months. The facilities committee reviewed and recommends for approval. On a motion by C. Fitzpatrick and second by M. Bellinger the WIC approved a LHI loan in the amount of \$2,400 to Creekside Mental Health Counseling Practices at 3% for 24 months to renovate their space in Building A. All in favor; motion carried.

iv. B. Soluri presented a proposal from North Country Property Services to rent space in Building A. As noted, this space was formerly the ServPro space and is being marketed at \$6.02 per sq ft plus monthly water charge. The facilities committee reviewed the original proposal by North Country Property Services whereby it would pay \$250 a month to hold the space from December 2014-April 2015 and then \$650 per month thereafter. The facilities committee found this proposal unacceptable. North Country Property Services came back with a counter proposal offering \$250 to hold the space and then \$750 per month to increase annually by 10% for 3 years with a 2 year option. The board noted that the base rent was still below its breakeven rent amount. The board advised B. Soluri to go back to North Country Property Services with a proposal consistent with the board's breakeven rent guidelines.

v. On a motion by N. Darling and second by P. Morgan, the WIC entered into Executive Session to discuss threatened and/or pending litigation.

vi. On a motion by N. Darling and second by P. Morgan, the WIC came out of Executive Session.

vii. On a motion by P. Morgan and second by C. Fitzpatrick, the board directs attorney K. Caughlin to settle with M&T Bank for \$3,000 as it relates to the Junction Boyz auction. All in favor; motion carried.

VIII. Adjournment: On a motion by N. Darling and second by C. Fitzpatrick the meeting was adjourned at 9:15 AM.

The next regular meeting will be Tuesday, December 16, 2014 at 8:30 AM at the Watertown Industrial Center board room, 800 Starbuck Ave., Watertown, New York.