

**Minutes of the Meeting of the  
Oneida County Industrial Development Agency  
Held on August 21, 2009 at the EDGE offices  
Rome, NY 13441**

**Members Present:** F. Betrus, N. Brown, M. Fitzgerald, D. Grow, M. Valentine, E. Quadraro, S. Zogby

**Absent:**

**EDGE Staff Present:** F. Arcuri, J. Cardone, J. Castilla, S. Papale, M. Rizzo, J. Stock

**Others Present:** D. Bertrand, J. Dinga, D. Evers, M. Hennessy, M. McDonough, L. Lewis, K. Nichols, V. Raymond, P. Romano, L. Ruberto, P. Savage, K. Sawyer

**Press:** L. Collier, R. Croniser, D. Guzewich, J. Haeger

Mr. Grow called the meeting to order at 8:05 AM.

Ms. Papale introduced Julianne Cardone to Agency members. Ms. Cardone-Nelson is the new CFO for Mohawk Valley EDGE.

The minutes of the June 17, 2009 Agency meeting were unanimously approved upon a motion made by Mr. Betrus, seconded by Mr. Quadraro.

In other Agency business:

- Mr. Savage, President & GM of Mid-State Development, explained the expansion plans proposed for the Vernon Downs facility. Questions were raised at the last Agency meeting as to the financing for the project; Mr. Savage explained that in late 2008 the NYS Lottery Commission granted Vernon Downs permission to set aside 4% of its gaming revenues for capital improvements. These funds, along with conventional financing, will fund the project. Mr. Dinga, Sr. Financial Analyst for Mid-State Development, added that the company has also sought out assistance from Empire State Development Corporation for possible grants and loans. Mr. Raymond, representing VIP Structures Engineering Design, presented detail and sketches of the project. Mr. Fitzgerald asked which phase involved refurbishing the hotel rooms. Mr. Raymond explained that a portion of Phase 1 will involve room renovations, but mainly due to the addition of a roof-top terrace and that this will affect very few rooms. The phase which contains the largest portion of room renovations is Phase 2. Mr. Quadraro asked if a market study has been done to verify the feasibility of the project. Mr. Savage said Cornell University was commissioned to perform the analysis and the subsequent report verified the feasibility of the expansion. Mr. Quadraro also asked about the job creation numbers listed on the application. Mr. Dinga said 50 jobs were to be created in Phase 1 of the project with no other new jobs anticipated for Phases 2 & 3. He said the company employs about 370 workers during the racing season and 270 in the off-season. Mr. Grow inquired as to the project's approval status with the Town of Vernon. Mr. McDonough, Town of Vernon Councilman, said the Town has approved the preliminary plans for the project and supports the expansion. He said he fully supports this project and believes it will be a tremendous asset to the Town of Vernon and Oneida County. Ms. Ruberto confirmed that the Town of Vernon is serving as the lead agency for the SEQR process reminded those present the SEQR review has not yet been completed and the Inducement was conditioned upon the completion of the SEQR process. Mr. Grow said the next phase of the approval process for this project involves a public hearing and demonstration of the SEQR review being completed. Mr.

Fitzgerald asked Mr. Dinga provide Agency staff with a two year quarterly average FTE employment number since they are a seasonal business. This number will help to set the base employment number for the recapture provisions of the agreement between the company and the Agency. Mr. Fitzgerald reiterated the provision of the Resolution of the Inducement made in July's meeting stating that Agency benefits for this project fall under the Commercial PILOT provisions whereby benefits are granted for a period of five (5) years and apply only to the incremental increase on the assessed value of the tax parcels affected by the project.

- Members reviewed the Agency's 2010 proposed budget. Mr. Grow pointed out the budget is balanced for 2010. *A motion to approve the 2010 budget was made by Mr. Valentine, seconded by Mr. Betrus.* The motion was unanimously passed.

#### Old Business:

- The application for Phase III of the Lewiston at Pheasant Run project submitted by Lewis Brothers at the request of the Agency was discussed. Mr. Luke Lewis explained that Phase III of this project is unique to the Region in that it is the only multi-unit housing project underway that is not devoted to senior or low-income populations. He mentioned that his project helps stabilize the 25 – 50 year old professional working class' presence in the region by providing upscale, multi-unit housing options to that population. Public infrastructure improvements that were made by the completion of Phase I & Phase II of this project will be a smaller part of Phase III as the infrastructure improvements for this phase will be related to water lines not having to be terminated. Mr. Grow said that the public hearing will provide the opportunity for public comment on the project and such comments will be considered when the Agency determines its final action on the project.
- Mr. Arcuri recapped the bids received for the electrical overhaul work to be performed at the former Rome Cable site. The City of Rome has agreed to pay for the entirety of the project from RESTORE NY grant funds and a Memorandum of Understanding (MOU) was drafted detailing this agreement between the City of Rome and the Agency. *A motion to approve the MOU between the City of Rome and the Agency was made by Mr. Betrus, seconded by Mr. Fitzgerald.* Upon calling for a vote, the MOU was approved with Mr. Grow abstaining. Mr. Arcuri further explained that the low bidder for the work was Huen Contracting of New York with a bid of \$559,000. *A motion to award the bid to Huen Contracting of New York for \$559,000 and to allow the Agency's Executive Director to sign the associated contract was made by Mr. Zogby, seconded by Mr. Fitzgerald.* Upon calling for a vote, the motion was passed with Mr. Betrus and Mr. Grow abstaining. Mr. Paul Romano, representing Shumaker Engineering (the company overseeing the environmental cleanup of the site), informed members that the State has run out of funds for environmental cleanup that was to be performed as part of Phase II of the project. The State will honor the current contract for \$1.5 million in cleanup but any additional work will not be funded. Therefore, a change order in the amount of \$326,700 is necessary to perform an investigation of the areas of the site that have shown a need for additional remedial assessment. Dollars in the existing contract will be shifted from remedial tasks to investigative tasks for these areas. *A motion to authorize a change order in the amount of \$326,700 for the above-stated purpose was made by Mr. Betrus, seconded by Mr. Zogby.* Upon calling for a vote, the motion was passed with Mr. Grow abstaining. Regarding the work associated with the electrical renovations bid by the Agency, Mr. Arcuri explained that there was additional work to be performed at the site as a result of the electrical overhaul that was not a part of the bid request and that additional funds may be necessary to complete the associated work. Total cost for the electrical overhaul and associated site work is expected to not exceed \$800,000. *A motion to authorize the Agency's Executive Director to execute change orders relating to the electrical overhaul and related site work upon notification and agreement of the Agency Chairman and/or Vice Chairman and to ratify such change orders for a combined amount not to exceed \$800,000 was made by Mr. Fitzgerald, seconded by Mr. Betrus.* Upon calling for a vote, the motion was passed with Mr. Grow abstaining.

- The Agency's recapture policy was discussed. Agency members agreed to postpone action on the policy until the September meeting.
- Ms. Papale reminded members to file their financial disclosure statements with the County.

There being no further business, the meeting was adjourned at 10:05 AM upon a motion made by Mr. Fitzgerald, seconded by Mr. Betrus.

Respectfully submitted,

James P. Castilla  
Assistant Secretary