

**Watertown Industrial Center Local Development Corporation  
Board of Directors' Meeting  
Minutes  
April 17, 2007**

The Watertown Industrial Center Local Development Corporation held its regular board meeting on Tuesday, April 17, 2007 in the board room of the Jefferson County Job Development Corporation office, 800 Starbuck Avenue, Watertown, New York.

**Present:** Donald Rutherford, John Doldo Jr., Carolyn Fitzpatrick, Paul Morgan

**Others Present:** Billy Soluri, Jim Fayle, Lyle Eaton, Peggy Sampson

**Excused:** William Fulkerson, Robert Juravich, Nickolas Darling

- I. **Call to Order:** Mr. Rutherford called the meeting to order at 10:10 a.m.
- II. **Minutes:** The minutes of the meeting held February 20, 2007 were presented for approval. A motion was made by Mr. Doldo to approve the minutes as presented, seconded by Mr. Morgan. All in favor. Carried.
- III. **Treasurer's Report:** Mr. Eaton reviewed the financial statements for the periods ending February 28, 2007 and March 31, 2007. A motion was made by Mr. Doldo to approve the financial statements as presented, seconded by Ms. Fitzpatrick. All in favor. Carried.
- IV. **Correspondence:**

**Letter to Z-Star** – On the advice of Attorney Keith Caughlin, Mr. Soluri sent a letter by regular and certified mail as an official notice that the WICLDC intends to sell the equipment that has been abandoned in Building B by Z-Star. There will be a public auction held on Friday, May 11 at 0900 at the location site. The letter indicated that if Z-Star is to pay the past due rent owed within 10 days of the notice, they could retake possession of the items. Upon payment, Z-Star would have 5 days to remove the items from the WCBI or said items would be disposed of by the WICLDC.

**Fire Hydrant Letter** – A letter received from the City of Watertown Water Department indicated that the WICLDC has six hydrants that were inoperable upon a "courtesy" inspection of the privately owned fire hydrants. The letter also indicated that contact should be made to coordinate repairs or replacement. The information was forwarded to the City of Watertown's Code Enforcement office and the Fire Prevention Bureau for additional follow-up.

Mr. Soluri included in the packet for review his response to the letter. He scheduled a walk through with the City of Watertown Water Department to be able to locate the six hydrants they had referenced. After reviewing the hydrants and location it was determined that only three of the six hydrants were the responsibility of WICLDC. One of the hydrants belongs to the New York Air Brake and the two others belong to SPX. Mr. Soluri requested that the City of Watertown Water Department correct the deficiencies that WICLDC are responsible for.

**Cellutech Lawsuit Update** – A letter received from Attorney Frank Montemalo indicating that the plaintiffs, Cellutech, Percer and Utica have perfected their appeal and submitted their brief and reply to the Appellate Court for decision. Mr. Montemalo indicated that he also submitted our brief in response to their appeal. The appeal will be heard for oral argument on May 24, 2007 at 10 a.m. Mr. Montemalo will report to Messrs. Soluri and Fayle after he receives the decision from the Appellate Court.

**NYAB Letter** – A letter requesting permission for their security personnel to cross the WCBI property to gain access to the rear of the New York Air Brake property in the event of a work stoppage vote by their bargaining unit on April 7, 2007. Due to the date, the request did not need action by the board.

**V. Committee Reports:**

Mr. Soluri gave a **Facility Update** including the following items:

- Semi-annual sprinkler inspection and fire drill were performed on April 12, 2007. There were no deficiencies pertaining to the sprinkler systems. The inspection reports have been forwarded to Fire Prevention and Haylor, Freyer & Coon.
- QES Environmental performed the asbestos survey for building C on April 7, 2007. The results should be in by the end of the week. The survey will allow WIC to plan for immediate and future projects.
- Lockout/Tagout Program is an ongoing effort to ensure the safety of maintenance, tenants, and visitors. The program will reduce the risk of an electrical accident while working on equipment that requires electricity to operate. Ev Griffith of Haylor, Freyer & Coon has reviewed it and indicated that it meets the requirements of OSHA. The program will be implemented over the next 30 days.
- Aubertine and Currier are performing an assessment of the facility and the available property. Once finished, WIC can look at the potential for further renovation to the existing facility vs. construction of a new building.

Mr. Soluri updated the Board with the **Leases/Prospects** as follows:

- There were no new leases to report on.
- Two prospects - one for a long term lease with 5,000-10,000 square feet and the other for 5 years for 16,000 square feet

**VI. Unfinished Business:**

**GYMO Easement Request** - A request for an easement for GYMO to tie into the WICLDC water line for the Perkins Scrap Yard being built in Building E out back of the facility. Mr. Soluri had Jayson Jones from Aubertine and Currier review the easement. Mr. Jones found little concern with the easement; however, he had several suggestions regarding the sewer line easement. Mr. Soluri spoke the Allan Floro, the attorney for SPX, who had several concerns regarding the easements. It was understood that if WIC was to grant the easements there would be a chance that Perkins may encounter contaminated soil or other media in which SPX would not indemnify the WICLDC or other parties affiliated with the excavation and installation

of the water and sewer line because that would be a restriction that would void the indemnification agreement.

A motion was made by Mr. Doldo to deny the water and sewer easement requests, seconded by Ms. Fitzpatrick. All in favor. Carried.

**VII. New Business:**

**Ferguson Rental Amounts and Loan Approval** – The prospect details include 21,700 square feet, located at B-3 and B-4 that includes 30,000 square feet of yard for 5 years. There will be six employees. Ferguson Waterworks has requested that the lease be all inclusive so that the improvements to the space would be amortized over the length of the lease. Project estimates supplied by Aubertine and Currier was \$130,000; however, Mr. Soluri feels that number is high. Key improvements would include: parking area, ground level overhead door, interior demolition of various rooms, restroom for building B, and new lighting. Mr. Soluri pointed out the only disadvantage is that Space B-1 is only accessible through the front door. It was staff's recommendation that the space requested and a Leasehold Improvement Loan not to exceed \$100,000 at 3% for 5 years be approved.

A motion was made by Ms. Fitzpatrick to approve the Space ID B-3, B-4, and the outside yard area and to approve a Leasehold Improvement Loan not to exceed \$100,000 at 3% for 5 years contingent upon acceptable lease terms, seconded by Mr. Doldo. All in favor. Carried.

**2007-2008 DRAFT Budget** – The 2007-2008 Draft Budget and Assumptions were distributed for review and discussion. Mr. Soluri asked the board to review and let him know of any questions or comments they may have. The budget will be approved at the June meeting.

**VIII. Adjournment:** With no further business before the Board, a motion was made to adjourn by Ms. Fitzpatrick, seconded by Mr. Morgan. All in favor. The meeting adjourned at 11:15 a.m.