

Wayne County IDA  
Minutes – October 23<sup>rd</sup>, 2009  
Regular Board Meeting

The regular board meeting of the Wayne County IDA was called to order at 9:40 a.m. on October 23<sup>rd</sup>, 2009, by Chairman David Spickerman. The meeting was held at 16 William Street, Lyons. Members present: David Spickerman, Willard Milliman, Marvin Decker and James Hoffman at 10:15 a.m. Also present: John Morell, Esq., P. Churchill, D. Richards, J.VanDusen and M. Leisenring.

On motion of Mr. Decker, seconded by Mr. Milliman and carried the minutes of the previous meeting, held 9/25/09, were approved.

Resolutions October 23, 2009

Resolution A **Legendary Auto Interiors, Inc.** – Collateral Subordination

Whereas, the WCIDA Board of Directors approved a \$297,000 loan to Legendary Auto Interiors, Inc. on April 16, 2009 secured by a second mortgage subordinate to a \$1,388,000 first mortgage held by Lyons National Bank for the financing of the renovation and expansion of the Legendary facilities located on West Shore Boulevard, Newark NY; and

Whereas, Legendary has experienced \$169,578 in cost overruns of which Lyons National Bank has agreed to finance \$150,000 by increasing its permanent mortgage by a like amount subject to the increased subordination by WCIDA; and

Whereas, the company shows the ability to make the payments on its existing and increased proposed loans and the WCIDA collateral position is not significantly negatively impacted; be it therefore

Resolved, that WCIDA approves subordinating to the increased first mortgage of Lyons National Bank.

Moved: Mr. Milliman      Seconded: Mr. Decker  
Ayes: Messrs. Milliman, Decker, Spickerman and Hoffman  
Nays: None

Mr. Richards next discussed the financial statements and proposed 2010 Budget. On motion of Mr. Milliman, seconded by Mr. Decker and carried to accept the financial statements and 2010 Budget for the Wayne County IDA. The 2010 Budget will be sent to the PAAA by November 1<sup>st</sup>, 2009.

Resolution B Mechmar **Industries, Inc.** – Payment Modification

Whereas, Mechmar Industries, Inc. borrowed \$25,000 from the Wayne County Microloan Program on January 15, 2002 and was reduced to \$12,600.53 by March 23, 2007 at which time the loan was increased to its original balance that now has \$23,359.09 outstanding; and

Whereas, several payment modifications have been granted in the past due to adverse economic conditions with the last payment received on August 11, 2008; and

Whereas, the company is now in a position to reinstate a regular payment program; be it therefore

Resolved, that WCIDA:

- a) defer currently past due payments to the maturity of the loan.
- b) Begin a regular monthly payment of \$250.00 commencing November 1, 2009 for six months at which time the payment schedule will be reviewed.

Moved: Mr. Milliman      Seconded: Mr. Decker  
Ayes: Messrs. Milliman, Decker, Spickerman and Hoffman  
Nays: None

Resolution C - **Clint Samson d/b/a Watercraft Clinic** – Collateral Subordination

Whereas, Clint Samson d/b/a Watercraft Clinic borrowed \$25,000 from the Wayne County Microloan Program on March 10, 2003 that now has a loan balance of \$18,962.17 with all payments having been made as agreed; and

Whereas, collateral for this loan consists of a third mortgage on the business facility on Waters Road, Wolcott, NY subordinate to the first mortgage of Lyons National Bank and the second mortgage of the Small Business Administration; and

Whereas, Lyons National Bank has approved a \$90,000 increase in their first mortgage for the purpose of constructing a new 10,320 square foot building for boat storage, said increase being subject to the subordination of SBA and WCIDA to the new debt; and

Whereas, the company shows the ability to make the payments on its existing and increased proposed loan and the WCIDA collateral position is not significantly negatively impacted; be it therefore

Resolved, that WCIDA approve subordinating to the \$90,000 increase in the Lyons National Bank first mortgage subject to the approval of the SBA to also subordinate their mortgage.

Moved: Mr. Decker      Seconded: Mr. Milliman  
Ayes: Messrs. Milliman, Decker, Spickerman and Hoffman  
Nays: None

Resolution D authorize additional infrastructure funding through the loan to grant program for **Terraces of Newark**

Whereas, the IDA had previously authorized funding to assist with sewer upgrades at this site; and

Whereas, the upgrades have cost significantly more than anticipated, be it hereby

Resolved that the IDA authorizes an additional \$24,000 to assist with funding the sewer, structured as a loan to grant and contingent upon the job creation committed, a timeline and remaining in Wayne County for no less than 7 years.

Moved: Mr. Milliman      Seconded: Mr. Decker  
Ayes: Messrs. Milliman, Decker, Spickerman and Hoffman  
Nays: None

Resolution E—authorize infrastructure funding for rail improvements

Whereas, **Maco Bag** has rail siding that has not been used and has deteriorated and;

Whereas, OMID has the crew and expertise to make improvements to the siding, thus allowing Maco, along with potential other businesses, to use the siding to keep down shipping costs; be it hereby

Resolved that the Director is authorized to contract with OMID (Ontario Midland Rail Road) to make improvements to the siding at a cost not to exceed \$22,000.

Moved: Mr. Milliman      Seconded: Mr. Decker  
Ayes: Messrs. Milliman, Decker, Spickerman and Hoffman  
Nays: None

Next Mr. VanDusen reported on the recent Empire Zone Conference he attended in Watkins Glen. The current zone program will end in June, 2010. To date, the State has not announced a flagship program to replace the empire zone program.

Resolution F—Authorize the purchase of a projector, lap top and appropriately sized printer for presentation and counseling use

Whereas, the IDA laptop is dated and has insufficient space and programs to run current power point presentations with PDFs; be it hereby

Resolved to update the current laptop, if possible, to include the necessary programs; and be it further

Resolved that a projector, lap top and two small printers be purchased, following the procurement policy, amount not to exceed \$5,000.00.

Moved: Mr. Decker      Seconded: Mr. Milliman  
Ayes: Messrs. Milliman, Decker, Spickerman and Hoffman  
Nays: None

Resolution G—Authorize agreements with WEDC and WISDC

Whereas, the Wayne Economic Development Corporation (WEDC) and the Wayne Industrial Sustainability Development Corporation (WISDC) perform specific services to the IDA in order to meet the goals and mission of sustainable economic and community development in Wayne County; be it hereby

Resolved that, contingent upon attorney input and review, the IDA Director and Chief Finance Officer are hereby authorized to execute the necessary agreements between the IDA and the WEDC and WISDC.

Moved: Mr. Milliman      Seconded: Mr. Decker  
Ayes: Messrs. Milliman, Decker, Spickerman and Hoffman  
Nays: None

Resolution H- Authorize water pricing study

Whereas, a traditional high user of water in the Lyons Industrial Park will no longer be in the park and, whereas the cost of water is a critical issue to future users of the park, the residents of the community and all current purchasers of water—county, town and village; and

Whereas, options for purchase of water from outside versus processing of well water may prove to provide a cost savings to all; be it hereby

Resolved, that the executive director is authorized to contract with Stu Brown/Labela to assess potential different cost structures and water providers at a cost not to exceed \$10,000 and that the assessment be done before the end of the year.

Moved: Mr. Hoffman      Seconded: Mr. Milliman  
Ayes: Messrs. Milliman, Decker, Spickerman and Hoffman  
Nays: None

Mr. VanDusen briefly discussed the on-going B,R&E program. He stated many companies are in a “holding” pattern due to the economy. Several area companies are also involved in the shared work program provided by the state.

Next was a discussion on revolving loan fund policy. The current restrictions placed on banks is causing problems for some companies needing to borrow money for operation and cash flow purposes in order to accept pending orders. Two such loan requests will be reviewed by the loan committee and then brought before the IDA board. A tentative date of October 30<sup>th</sup> was suggested to hold a special meeting to review these loans. A suggestion was made to have the IDA look into doing “guaranteed” loans – working with a bank, such as SBA has done in the past.

Ms. Churchill gave a brief update on projects.

On motion of Mr. Decker, seconded by Mr. Milliman and carried the Board went into executive session at 11:15 a.m. to discuss a specific project.

The regular meeting resumed at 11:25 a.m. There being no further business, the meeting was adjourned.

Respectfully submitted,

Marvin Decker  
Secretary

