

**CARTHAGE INDUSTRIAL DEVELOPMENT CORPORATION**  
**Minutes of Meeting of January 30, 2013**

**Present:** Wayne McIlroy, John McHugh, David Zembiec, Bruce Armstrong, Terry Buckley, Thomas Piche', Derek Davis, Terry Roche

**Excused:** Robert Gormley, Mark Keddy, Urban Hirschey, James Wright, Paul Smith – proxy to John McHugh

**Absent:**

**Call to Order:** Mr. McIlroy called the meeting to order at 4:12 p.m.

**Open Forum:** None

**Minutes:** Motion made by Mr. Buckley, seconded by Mr. Armstrong to accept the minutes of the December 12, 2012 meeting. Motion carried unanimously.

**Election of Officers:** Mr. Piche' made a motion to elect Robert Gormley as President, Terry Buckley as Vice President, Bruce Armstrong as Secretary and Wayne McIlroy as Treasurer of the CIDC. Motion seconded by Mr. Davis. Motion carried unanimously. It was noted that Mr. Buckley needs to stop at the Carthage Savings & Loan to sign the signature cards for signatory on bank documents.

**REPORTS:**

**Main Street/RARP Program Status – The board discussed the fact that they had been awarded \$200,000 through the RARP program and the State Contract for the funds is in process. It was noted that the board was not successful in obtaining a Main Street grant that would have helped cover the projected costs of the RARP grant projects. The board was awarded \$200,000 of the \$450,000 applied for. The funds awarded are for the 253 and 255 State Street properties. The CIDC will need to work with the Village of Carthage seeking additional grants to offset the shortfall and reviewing alternate assistance and work scope for the project. It was noted that the Board will need to authorize people to sign the disbursement requests. The following resolution was introduced by Mr. McIlroy:**

**RESOLUTION WITH REFERENCE TO RECONFIRMING AUTHORIZATION OF MEMBERS TO SIGN REQUESTS FOR HTFC FUNDS FROM OFFICE OF COMMUNITY RENEWAL**

**WHEREAS,** the CIDC has received a \$200,000 2012 RARP Grant; and

**WHEREAS,** the CIDC must designate those authorized to sign requests, including at least one employee, for HTCF funds from the Office of Community Renewal,

**WHEREAS,** the CIDC wishes to reconfirm those authorized to sign disbursement requests and the Certifying Officer,

**BE IT RESOLVED** as follows:

Section 1. The CIDC hereby designates Lori Borland, Administrative Assistant and Wayne McIlroy, Treasurer as those authorized to sign disbursement requests with only one signature required.

Section 2. That Board Member Bruce Armstrong shall remain the Certifying Officer, for the purpose of certifying the signatures of the above authorized Board Members and Personnel.

Section 3. That the within resolution shall take effect immediately.

Motion by Mr. Buckley, seconded by Mr. Roche to adopt the above resolution. Motion passed unanimously.

The board then discussed the need to work with the Village on securing additional funding and exploring use of existing grants and loan funds managed by the Village, for this project. A motion was made by Mr. Armstrong, seconded by Mr. Buckley, to form a committee to work with the Village of Carthage on this project, to consist of John McHugh, Wayne McIlroy, Thomas Piche' and Lori Borland. Motion passed unanimously.

**Treasurer's Report:**

- a. The board reviewed the December/January financial report including monthly Balance sheet, Profit and Loss Statement, Bills and Deposit details. It was noted that the deposits and bills were in the ordinary course of business, and there was nothing unusual. Motion by Mr. Armstrong, seconded by Mr. Zembiec to accept the December/January financial report as submitted. Motion carried.
- b. **Payment of Bills:** Motion was made by Mr. Armstrong, seconded by Mr. Zembiec to authorize payment of bills. Motion passed unanimously.

EXECUTIVE SESSION: None

**OLD & NEW BUSINESS:**

- a.) Board Member Policy Certifications: It was noted that annual certification paperwork, required in accordance with PAAA, will be sent out via e-mail next week. Board members were encouraged to return the executed certification documents as soon as possible.
- b.) Committee appointments (Governance and Audit): Motion by Mr. Piche', seconded by Mr. Davis to appoint Bruce Armstrong, Wayne McIlroy and Terry Roche to the Governance Committee and Audit Committee. Motion carried unanimously.

West End Dam Hydro Facility Update – The board discussed the fact that more than a year has past since repairs were made to the plant during the Lease termination agreement period. It was noted by the board that all repair warranty periods had ended around Thanksgiving of 2012. Members agreed that it was time to make a decision on whether to close out the agreement and consider the Lease Termination Agreement period over. It was noted that a letter was sent to the principles of WEDA asking them to remit payment for the cost of miscellaneous repairs completed during the termination period. It was also noted that WEDA sent a letter refusing to pay any additional expenses beyond that which was paid and deemed the matter closed. It was also noted that Corporation Legal Council was consulted and advised that the legal costs of pursuing any additional reimbursement would likely far exceed the costs recouped from the process even if the CIDC is in the right. After a brief discussion the following resolution was introduced by Mr. McIlroy:

**RESOLUTION WITH REFERENCE TO CLOSING FILE ON WEST END DAM ASSOCIATES (WEDA) LEASE TERMINATION AGREEMENT**

**WHEREAS**, the CIDC and WEDA entered into a lease termination agreement dated 5/11/2011, and

**WHEREAS**, numerous issues arose during the lease termination agreement period which resulted in repair costs which the CIDC believes are the obligation of WEDA, and

**WHEREAS**, the CIDC has requested reimbursement of such costs by WEDA and WEDA has refused to reimburse such costs by letter dated 9-28-12 and has indicated in such letter that the Lease Termination Agreement has been satisfied and “trust that this brings these matters to and end”, and

**WHEREAS**, the CIDC has consulted with its Legal Counsel regarding options and Counsel has cautioned that legal pursuit of reimbursement of such costs “may far exceed the amount to be collected”. In addition, it is suspected that the tenant under the lease has little or no assets from which a judgment could be collected and suggested that the CIDC probably will not find it economical to pursue the action, even if the CIDC is in the right.

**BE IT RESOLVED** as follows:

Section 1. The CIDC hereby approves ending pursuit of a judgment against WEDA, accepting the existing funds on hand as satisfying expenses incurred by the CIDC and is accepting the Lease Termination Agreement as fulfilled.

Section 2. That the within resolution shall take effect immediately.

Motion made by Mr. Piche’, seconded by Mr. Armstrong to adopt the above resolution. Motion passed unanimously.

The next meeting is to be held on February 27, 2013.

There being no further business before the Board, motion was made by Mr. Piche’, seconded by Mr. Roche to adjourn. Motion carried unanimously. Mr. McIlroy adjourned the meeting at 4:25 p.m.