

Wyoming County Business Center, Inc.
Meeting Minutes
January 11, 2012

The WCBC, Inc Board of Directors met on January 11, 2012 at 3:07p.m. at the Wyoming County Business Center, 6470 Route 20A, Perry, New York.

Present were: James Pierce, President/CEO; Mark Merrill, Chairman, Jim Fleischman, Secretary; Frank Vitagliano, Jr, Director, Jim Brick, Director.

Also in Attendance: Linda Leblond, Wyoming County Business Education Council; Doug Patti, Supervisor for the Town of Attica, Art Buckley, Wy. Co. Planning; Brian Beiger, Birchwood Business Consulting

Mark Merrill called the meeting to order at 3:07pm.

Review and Approval of November 2, 2011 Minutes

Mark Merrill asked for comments on the minutes from the November 2, 2011 meeting. There were no comments, Jim Fleischman made a motion to accept the minutes as presented. Frank Vitagliano seconded the motion, and it was unanimously approved.

Review and Approval of Monthly Financial Report

Mark Merrill asked for a review of the monthly financials. Jim Pierce reported that the audit has started today so Linda Leblond has agreed to record minutes for the meeting while Patricia Hellwig works with the auditors. Jim Pierce provided an overview of the YTD figures and balances for the WCBC giving a review of income and expenses. Frank Vitagliano questioned if Harris Beach was paid? Jim Pierce responded they are paid in full. Jim Fleischman made a motion to accept the financial report as presented and Jim Brick second the motion and it was unanimously approved.

Presidents Update:

Economic Development Updates

- Continue to working with the manufacturer of saw dust from scrap wood regarding their interest in the A & A Metal Fabricating site, we are looking around for a temporary site for his saw dust business to locate to while we do the necessary due diligence on getting the site ready and a deal in place that will not place any liability on the company for the existing environmental contamination.
- The manufacturer of modular homes who is interested in building a new 90,000 sq. ft. building in the Warsaw Industrial Park has decided to first try to establish a Rt. 19 location for a few model homes, while they work on getting their finances in place.
- Steel & O'Brien of Arcade has signed a lease 50,000 sq. ft. of space in the former Foamex building in Arcade. This two million dollar capital investment project will result in 25 new jobs being created over the next three years.
- In working with Koike Aronson learned that the acquisition of a Michigan company has fallen through but they are still moving forward with their \$3.5 million project will include

a 20,000 sq. ft. building expansion and new equipment. The company is well positioned and will continue in their quest of an acquisition.

- Met with Dan Cunniffe, the new COO of Markin Tubing to help acclimate him to the County and discuss some of his growth plans that he wants to implement with the transition from Bart Dambra to Dan. Availability of power continues to place a strangle hold on growth, a meeting is being set up for later this month with National Grid to see how the availability of power will be change with the addition of the anaerobic digester now on line upstream from Markin.
- Lease discussion has slowed to a crawl for the 50-100 seat call center interested in space at the Larkin Plaza in Perry. The owner of the building has sent a lease and is waiting to hear back from the company.
- Continue to work with the manufacturer of cabinets and countertops in Castile, the latest option is now focused on leasing space in Warsaw for a showroom.
- Continue to work with representatives from a Nunda manufacturer who is looking 30,000 sq.ft. of warehousing space. They have a strong interest in the Perry Commerce Center building and company representatives have toured the building. We should know soon what they have decided.
- Continue to work with representatives from a fuel cell manufacturer from Long Island that is considering a move to Western New York. Ten existing jobs would move with the company and 60-70 are expected to be created over three years. The president of the company was here on October 14 and site tours were conducted. As it stands now, they are most interested in the idea a building a 40,000 sq. ft. building in the Warsaw Industrial Park. They are also looking at sites in Erie County. Recent calls have not been returned.
- Met once again with representatives from API Air Tech who is need of an expansion if they are successful in landing a contract with an OEM. They are considering a 10,000 sq. ft. build out of their existing facility or would commit to a 20,000 sq. ft. lease on a build to suit arrangement by Peter Krog at the Arcade Business Park.
- Reached out to the owners of the API SMD building to see if that could work for API Air Tech only to learn the building has been taken off the market pending a deal that API SMD is working on that would necessitate reopening the building for their own production.
- Met with business leaders of Base Tech who have recently acquired a small company in California and are slowly bringing the work here to the Arcade Business Park building. Job numbers have grown from 13 to 19 presently. There is a good possibility they will be knocking out a wall and expanding into the remaining vacant space.
- Working with a recreational business on a proposed expansion project.
- Met with Greg Palmer who is still managing the Dry Creek Pellet business in Arcade. We discussed how things are going after the acquisition and if there are any new plans under the ownership of Energex, the largest wood pellet maker in North America.

FastTrac New Venture

Jim Pierce passed out a new brochure for the Spring offering of the FastTrac New Venture program which begins on March 21, 2012. Jim P. asked the Directors to let him know if anyone has a referral. Jim Brick brought up that Livingston County is now doing a program. Jim P. reported that he has talked extensively with Livingston County about our program to a point where they wanted the program as well. They approached the WCBC about doing their program under a contract but changed their mind and decided to administer their own.

A & A Metal Fabricating

Jim Pierce referred to the DEC letter in the board packet reminding the Washington WCBC, LLC that it still owes \$7,673.25 in cost reimbursement for their oversight of the Remedial Investigation part of the Brownfield Cleanup Program (BCP). Frank Vitagliano asked if that included the interest penalty? Jim Pierce said that it did and asked the Board for some direction on this issue. Mark Merrill said that since the letter and issue is with the LLC, which has no assets and no money to pay it that no response from the LDC should be taken because it might assume the LDC should have some responsibility. The Board agreed. Jim Fleischman questioned if the agreement with DEC had been terminated, Jim Pierce said yes, it is has but it still does not remove the responsibility of paying the cost reimbursement.

Jim P. and our business prospect interested in owning the A & A Metal continue to discuss the project site and the steps that are being taken. The DEC will be declaring the site a Hazardous Spill site because of the petroleum found in the one area of the site and will become the State's responsibility to clean it up. Things are at a standstill for now until NYS DEC and Department of Health come to a consensus that the remainder of the site is not a significant threat. This declaration is holding up our business prospect from moving forward on developing an ownership deal. Rob Naperalski from Labella Associates (formally of TVGA) is in regular contact with the DEC's Greg Sutton on this issue on our behalf.

A&A:

Micro Loan Application

- Jim P introduced Brian Beiger, underwriter of the loan application for Tracie Cooley who is planning to open a new business known as "Twice is Nice Boutique" in Attica, NY. Brian presented his analysis including that the amount requested is for \$19,000 over 60 months at 1.625% interest, because the building is in a targeted area. The \$19,000 loan would be used as follows, \$3,000 for the purchase of furniture, fixture and equipment and \$16,000 for working capital.

Total investment will be \$51,000 including \$10,000 from the Village of Attica's loan fund along with owner equity of \$22,000. Jim P added that she is a graduate of the FastTrac New Venture program. Mark Merrill's concern was \$155.00/ month in short term debt is a lot of debt. Can Attica do a 10 year? Doug Patti said there will be rent from the apartment above the store that has not been included as income.

Jim F. made a motion to approve the loan with documentation that the Village of Attica commitment has been made and that building ownership has been secured. Jim Brick seconded the motion and it was approved unanimously.

Micro Loan Troubled Accounts:

- Board Members only received a report in their packets of loans that are in arrears and the amounts owed. Following some discussions about the loans Mark Merrill requested that Jim P. get some up to date financial statements before possibly taken further action that could include engaging the services of Brian Bieger to assist with these accounts.

Other Business

- Jim P. handed out the presidents annual review form. Mark asked Jim P. to email a copy to all Board members and that the Board should send their completed forms to Mark.
- Jim F. brought up a discussion that the Board of Supervisors Finance Committee had at their last meeting regarding the Genesee Co. Economic Development Center (GCEDC) model and all of the publicity they received for project wins and jobs created. Doug P. said that while the County is supportive of the economic development efforts of Mike and Jim P. they wondered if the Genesee County Model should be examined to see what it is and if it is something we should take a look at. Jim P. said his understanding of the model is that they set a goal on the number of project wins they hope to reach during the year. A project win is identified as a business that received some level of assistance from the GCEDC in a given year. Tied to the project wins is a proposed number of new jobs that would be created because of the assistance. If they reach their goal, bonuses are distributed. For 2011, this included awarding bonuses totaling \$120,000 from funding that was set aside just for that purpose.

Jim F. told the Board that he had asked Jim P. to put together some numbers on project wins and jobs created in Wyoming County by the economic development team of the WCBC and IDA so they could be made available to the members of the Board of Supervisors Planning Committee at their next meeting.

Frank motions to adjourn meeting at 4:30 p.m. Jim B. seconds that motion and it was approved unanimously.

Next Meeting

The next meeting is scheduled for Thursday, February 2nd, at 9:00 a.m. in the Conference Room. (Please note the meeting was rescheduled to February 8, 2012 at 3:30 p.m.)