

PLANNING AND ECONOMIC DEVELOPMENT

June 15, 2022

Members Present: D. Root, G. Barnes, P. Curran, A. Cyr, G. Hanchett, D. Healy, J. Ricci, J. Ricketts-Swales, P. Stockin

Others Present: D. Bigelow, T. Boyde, J. Burdick, A. Carrow, C. Clark, K. Demick, K. Dirlam, D. Fanton, B. Harris, S. Havey, K. Hooker, C. Knapp, T. Linn, R. Sobeck-Lynch, B. Riehle, T. Ross, J. Rumfelt

Call to Order: The meeting was called to order at 2:00 p.m. by Planning & Economic Development Committee Chair Debra Root.

Approval of Minutes

A motion was made by Legislator Curran, seconded by Legislator Hanchett, and carried to approve the May 18, 2022, Planning & Economic Development Committee minutes.

A motion was made by Legislator Ricketts-Swales, seconded by Legislator Barnes, and carried to approve the May 25, 2022, Planning & Economic Development Committee minutes.

EMPLOYMENT & TRAINING

Employment and Training Director Reita Sobeck-Lynch attended the meeting and submitted her monthly report to the committee for review. Ms. Lynch stated that there has been an increase in front desk activity with many people looking for work. Ms. Lynch stated that the job fair at the library last week went very well with 30 businesses present with over 300 open positions in Allegany County. Ms. Lynch stated that 81 job seekers signed in to the job fair and it was busy for most of the day. Ms. Lynch stated that the Summer Youth Employment program is in full swing with over 125 applications. The goal will be to place 65 youth throughout Allegany County between 15 to 28 hours per week for 6 to 8 weeks. Legislator Healy asked if the job fair included private and public sector employers. Ms. Lynch replied, "yes." Legislator Hanchett asked about funding for employment. Ms. Lynch stated that they received a 13 percent increase in adult and dislocated worker funding. Legislator Ricketts-Swales asked if they were planning to hold another job fair. Ms. Lynch stated that they were planning another job fair in the fall. Legislator Ricketts-Swales asked if another library or college would be able to host that job fair. Ms. Lynch stated that they would be willing to hold it at another location. Ms. Lynch ended by stating that the Workforce Innovation and Opportunity Act (WIOA) funding ends on June 30, and she will have a full report on that in July.

PLANNING DEPARTMENT

Planning Director Kier Dirlam attended the meeting and submitted his monthly report to the committee for review. Mr. Dirlam began by reminding everyone that the consolidated funding applications are due the end of July. Mr. Dirlam stated that if there are projects that communities are looking to obtain funding, this is the earliest application period coming up. Mr. Dirlam stated that they submitted the second grant application for Hazard Mitigation Plan Update, and that they were told we should not start any work beyond what they have already done until they receive notice of funding. Mr. Dirlam stated that this has caused them to postpone their planned stakeholder meetings this week.

Request for Budget Transfer in the Office of Development

Mr. Dirlam requested the following transfer of funds to allow continuation of development program efforts:

Appropriations:

From Account No.	To Account No.	Amount
Economic Development		
A6430.405 ED Conference Exp	A6430.407 ED Office Supplies	\$ 500.00
A6430.405 ED Conference Exp	A6430.409 ED Fees	\$ 1,000.00
A6430.405 ED Conference Exp	A6430.474 ED Contractual **	<u>\$18,500.00</u>
	Total:	\$20,000.00

** contracts such as Website (Mason Digital), various marketing etc.

The request was approved on a motion made by Legislator Healy, seconded by Legislator Curran, and carried. **Notify County Treasurer**

Request for Budget Transfer in the Office of Tourism

Mr. Dirlam requested the following transfer of funds. This transfer of funds is necessary because the NYS I Love NY Grant did not provide as much funding as was anticipated. The match to this funding can be utilized to undertake various non-matching tasks and programs if the funds are moved to the non-matching line as follows:

Appropriations:

From Account No.	To Account No.	Amount
Tourism		
A6989.475 Tourism Contractual** (County I LOVE NY Match)	A6989.478 Tourism Contractual (Local Discretionary Monies)	<u>\$19,750.00</u>
	Total:	\$19,750.00

** match is not needed as I LOVE NY funding was cut **

Clerk of the Board Brenda Rigby Riehle explained that both of these requests would only require committee approval, and that she will send something to the County Treasurer’s office letting them know that it received committee approval. The request was approved on a motion made by Legislator Hanchett, seconded by Legislator Ricketts-Swales, and carried. **Notify County Treasurer**

Request to Fill Full-Time Office Aide

Mr. Dirlam requested permission to fill one full-time temporary Office Aide (Section IV) in the Office of Planning. The specific duties that cannot be accomplished by another employee. This position is a paid summer intern position for a college student in a program relevant to the Office of Planning. Generally, they are given a project that the current staff do not have time to work on, or they bring skills outside those by the staff such as; architectural drawing. They also assist staff with projects. This position will be funded with 100 percent County funds, and \$6,300 is available in the 2022 Budget. Legislator Hanchett asked for an explanation of a permanent temporary position. Mr. Dirlam explained that this is an existing position that they put in the budget and try to fill as an internship each year. The request was approved on a motion made by Legislator Healy, seconded by Legislator Barnes, and carried. **Refer to Ways and Means**

US Economic Development Administration (EDA) Projects

Mr. Dirlam stated that he had sent an email to the committee regarding EDA projects. Mr. Dirlam explained that Southern Tier West has the comprehensive economic development strategy that they put together for the U.S. EDA. Mr. Dirlam stated that the chosen priority projects are the same two projects

as last year, with the Alfred-Almond Sewer Project and the Crossroads Development Infrastructure System Project. Mr. Dirlam stated that he can send more details about these projects if necessary, and pointed out that if in five months they determine another project should take priority that the Planning and Economic Development Committee has the authority to change it. Legislator Hanchett asked how long the Alfred-Almond Sewer project has been a priority and what reasons has it not moved forward. Mr. Dirlam stated that the project has a lot of moving parts with four municipalities agreeing with what needs to happen. Mr. Dirlam stated that the project is approximately \$10.5 million which includes running a collection line from the Alfred sewer plant along Route 244, with various collectors around subdivisions through the Village of Almond, and then send that back to the Alfred sewer plant. Mr. Dirlam stated that this project largely impacts the Alfred-Almond Central School and Alfred Station businesses that currently have septic systems. Legislator Hanchett asked if the sewer plant has been upgraded enough to allow for these changes. Mr. Dirlam stated that it is their understanding the it has been upgraded and has enough capacity. Committee Chair Root asked for the cost associated with the Crossroads project. Mr. Dirlam stated that it is an approximately \$7.5 million project. Legislator Healy asked if this funding could also be used to purchase more property. Development and Industrial Development Agency Executive Director Craig Clark stated that the EDA prefers to fund infrastructure for projects. The request was approved on a motion made by Legislator Cyr, seconded by Legislator Healy, and carried.

ECONOMIC DEVELOPMENT/INDUSTRIAL DEVELOPMENT AGENCY

Allegany County Development and Industrial Development Agency Executive Director Craig Clark attended the meeting and submitted his monthly report to the committee for review. Dr. Clark stated that they are close to completing pre-engineering for the Crossroads project. Legislator Healy asked if they are in communication with the surrounding municipalities. Dr. Clark stated that they are almost ready to present a draft to them because it is very important to make sure Amity and Friendship are involved as there will be implications for both communities. Legislator Healy remarked that more communication is always better. Dr. Clark stated that the potential annual sales tax revenue from the travel center will be approximately \$450,000 coming back to Allegany County. Legislator Healy asked that if either the County or the IDA had owned 200 acres at the Crossroads, if we would have lost Great Lakes Cheese. Dr. Clark stated that the location would have still been a struggle due to the power issues, but we may not have lost the project. Legislator Healy asked Dr. Clark if it is his opinion that the Crossroads area is the best intersection in all of Interstate 86. Dr. Clark stated that he thinks it is one of the best intersections in Allegany County because it is in the middle of the County and there is flat land available. Dr. Clark stated that the Independence Solar project is getting ready to close out with a public hearing in the near future, and they continue to work with LC Whitford, as well as the company that will be moving into the old K-Mart plaza which will be announced in the near future.

LJUNGSTRÖM Presentation

Dr. Clark introduced Vice President and Chief Human Resource Officer Greg Muscato, and Director of Manufacturing Technologies Jeff Gallo of LJUNGSTRÖM.

Mr. Muscato stated that it is a pleasure to be giving a presentation to the Board, and a pleasure to be in a “growth mode” with adding jobs to the area and improving the livelihoods of Allegany County residents. Mr. Muscato stated that this is a very exciting time for them as they will be celebrating 100 years in 2023, and that they are very focused and committed to setting the company up to continue for the next 100 years in Allegany County. Mr. Muscato stated that the results of this year endeavors have put them on a quest to hire sixty plus employees, with a recruitment campaign utilizing the Department of Labor and many government agencies to help them on this quest. Mr. Muscato explained that the positions are split between office, administrative, and manufacturing personnel with welders making up the bulk of the manufacturing positions. Mr. Muscato stated that they have expanded their sourcing focus by tapping into area BOCES and colleges as well as filling part-time positions with college students. Mr. Muscato stated that they have hired 19 people mixed between off the street, colleges, and BOCES. Mr. Muscato stated that while they are proud of that, they have another forty plus positions to fill between

now and October of this year. Mr. Muscato stated that they plan to fill another sixty to one-hundred positions next year with the bulk on the manufacturing side. Mr. Muscato explained that their business has been focused on the coal industry over the last one-hundred years with air pre-heaters, a green product affiliated with the coal industry. Mr. Muscato stated that they are maintaining their core products in order to continue supporting aftermarket pre-heaters, but they are branching off into offshore renewable wind down the eastern coast of the United States. Mr. Muscato explained that there will be over 2000 windmills installed on a piece of ocean property owned by each east coast state approximately 15 miles off the shoreline. Mr. Muscato stated that they are a heavy fabrication steel company and they are fabricating the structure that will support and hold these windmills. Mr. Muscato stated that there is a variety of other products that Mr. Gallo will talk about, but this is the major product they have been working on for over two years. Mr. Muscato stated that they have also partnered with a Canadian company with a CO₂ capture product where they have several units currently in operation, and he anticipates a good future with that technology. Mr. Muscato stated that these new products are affiliated with all of these projects along the east coast. Mr. Muscato stated that the projects they have so far are: The Rhode Island, which is called South Fork and Revolution, and also New York, which is called Sunrise. Mr. Muscato stated that there are other projects they are working on with other states, but they are hoping for a twenty plus year run, which will offer a lot for the County.

PowerPoint Presentation

LJUNGSTRÖM Overview-Allegany County, Wellsville, New York

- represents their proud past and bright future, commitment to the area, products and portfolio

LJUNGSTRÖM renewable projects for New York State and beyond

- represents an example and a good picture of what they are going to be building
- Mr. Gallo briefly described the structures that they will design and build to support and hold the windmills, summarizing that they have peeled off a piece of this industry and redesigned it so they can build it here in our local area

Carbon Capture – pilot units, 30 tons of CO₂ capture per day

- represents a piece of the carbon capture system
- Mr. Gallo explained that they have taken their core product, a massive heat exchanger, and worked with a CO₂ capture company that manufactures the media that captures the CO₂ for use with oil refineries
- two facilities are currently in operation located in Saskatchewan, Canada, and Bakersfield, California

LJUNGSTRÖM funding requirements: We have a plan, What do we need?

- besides creating jobs, they are also investing in their facility with machinery, structures, etc, which could not have been done without the support of government agencies and the IDA
- worked closely with Dr. Clark for the Appalachian Regional Commission (ARC) grant, as well as worked with Alfred State College, and the Empire State Development Group
- Mr. Gallo explained that they have targeted a total of \$14 million in capital expenditures for both offshore wind and CO₂ capture.
- \$6 million of that \$14 million is targeted for building a coating/paint facility to be operational by October of this year, and learning how to coat/paint to withstand 25 years in an ocean environment without corrosion

Committee Chair Root asked whether shipping would be over-the-road or by rail. Mr. Gallo stated that it will all be over-the-road. Committee Chair Root asked if there would be other Allegany County businesses that will perhaps profit from shipping this product. Mr. Gallo stated that the core shipping

facility is STX, and that it is a multimillion dollar business just to ship this product. Committee Chair Root asked if the CO₂ technology is taken from the old LJUNGSTRÖM heat exchangers. Mr. Gallo stated that CO₂ is very similar, but tricky because the media used to capture is like tissue paper. Mr. Gallo explained that their heat exchangers were metal plates, and a lot of re-engineering was required. Legislator Barnes asked if they had looked into using the railroads for shipping. Mr. Gallo stated that they did investigate railroad shipping, but the port where the assembly will occur does not have rail access. Legislator Cyr commented that while shipping by rail is cheap, the logistics and timing of getting to the rail is costly. Legislator Healy asked how the energy generated by the windmills will get to the end user. Mr. Gallo explained that the energy generated will go to substations out at sea, and then go to existing power plants on shore. Legislator Ricketts-Swales asked about the necessary criteria needed for welders to apply for a welder position. Mr. Muscato stated that one of the biggest requirements will be an individual's qualifications and actual welding experience, but they have recently branched out into education groups like BOCES and Jamestown Community College for potential prospects interested in welding. Mr. Muscato stated that they are willing to teach those that are interested in a welding career and will show up to work every day. Legislator Ricketts-Swales asked if they would require a welding test. Mr. Muscato stated that they will give them a two-hour weld test where they will be asked to weld different metals. Mr. Muscato explained that if they do not pass but show promise, they will take them and train them. Mr. Muscato stated that a good interview is important. Legislator Ricketts-Swales asked if they will inform BOCES and college instructors of what will be on the tests so that students can prepare. Mr. Muscato replied, "yes." Mr. Muscato stated that anyone interested in applying should go to www.ljungstrom.com for information, and that the main recruitment contact is Human Resource Manager Linda Bysiek. Legislator Fanton stated that this is very exciting and he is happy to see them going back to a time where a company is taking the responsibility to educate their employees. Legislator Harris asked how many employees they have now. Mr. Muscato replied, "210." Legislator Harris asked if they track how many of their employees are County residents. Mr. Muscato stated that they do. Legislator Harris asked if they had ideas for how to retain employees in Allegany County. Mr. Muscato stated that there are a lot of things that can be done to attract and retain people in the County. Mr. Muscato stated that their turnover is about 1 to 2 percent and that he has never known a company with that low of a rate.

Adjournment

There being no further business to come before the committee, the meeting was adjourned at 2:50 p.m. following a motion by Legislator Healy, seconded by Legislator Barnes, and carried.

Respectfully submitted,

Tiffany Linn, Confidential Secretary
Allegany County Board of Legislators