



Auburn Industrial  
Development Authority

## AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY

### MEETING MINUTES

Wednesday, September 28, 2011 @ 9:00 AM  
Council Chambers  
Memorial City Hall

**Board Present:** James Dacey (Chair & Member of Business); Sue Chandler, (Member of Labor); Ginny Kent (School Board Member); William Graney (Council Member); Rob Buschman (At-Large Member); Laurie Didio (At-Large Member); Michael Kane (Member of Industry)

**Excused:** Monika Salvage (At-Large Member); Matthew Smith (Council Member)

**Present:** Rick Cook (Hancock & Estabrook);

**Staff:** Jennifer Haines (Executive Director); Tricia Ottley (Planning & Economic Development Program Manager); Douglas Selby (City Manager); Mayor Quill; Maureen Pesek

**Guests:** Alan Jones, Deb Oliver and Dawn DeRue from Goulds Pumps.

#### 1.) ~ **Approval of Minutes**

James Dacey called the meeting to order 9:07AM. A motion to accept the minutes of September 19, 2011 was made by Rob Buschman and second by Ginny Kent. Motion carried.

#### 2.) ~ **Resolution of AIDA authorizing amendments to the Payment In Lieu of Tax agreement installment sale agreement and related documents with respect to the Goulds Pumps, Incorporated project**

Alan Jones, Goulds Engineering Manager, was the spokesperson for Goulds as Sullivan DeRaddo (Goulds Manager) was in Chicago pitching the facility's business plan. Mr. Jones said that the original proposal was to allow a minimum head count of 160, in the event of a double dip recession. He went on to say that if Goulds sustains their business without growth and experience the same productivity, the count will be 185/190,

**James A. Dacey**  
Chairman

24 South Street  
Auburn, NY 13021

PHONE  
(315) 255-4115

FAX  
(315) 253-0282

and that is being optimistic. Auburn is where they want to continue with Goulds Pumps.

At this time Mr. Jones handed out a Goulds payment plan with calculations based on maintaining at least 210 employees and 190 employees from 2010 through 2016, and the tiered penalties associated with the potentially decreased head counts through this time period (see attached). James Dacey asked the Board to take a few minutes to review this hand-out, and asked if they had any questions.

Laurie Didio asked how many more jobs will be lost from attrition. Dawn DeRue, a representative of Goulds, said that there were employees that left in January and spring of 2011, and that four (4) more were leaving on Friday, September 30, 2011, and one (1) more is leaving at the end of next month, all under the "\$20K Golden Handshake" initiative. She also said that the projected employment at the end of next month will be 220 for the total plant, with 160 belonging to the bargaining unit, and that Goulds has a low turnover.

Rob Buschman asked if the re-organization plans to move management elsewhere, to which Alan Jones said no.

Rick Cook reviewed the Resolution for the Board, and said that the only change from the original DRAFT would be the employment number would be 190, not 160.

Jenny Haines said that AIDA staff recommends the change of 160 to 190 employees.

Motion was made to accept the Resolution as amended by Ginny Kent and second by Bill Graney.

James Dacey asked for a vote of the Board, as is as follows:

Sue Chandler	Yes
Robert Buschman	No
Laurie Didio	Yes
William Graney	Yes
Michael Kane	Abstain
Ginny Kent	Yes
James Dacey	Yes

Motion carried.

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**3.) ~ Other business**

At 9:20 AM, motion to go into executive session to discuss property acquisition was made by Sue Chandler and second by Rob Buschman.

A motion to come out of executive session was made by Sue Chandler, and second by Mike Kane. Motion carried.

A motion to adjourn the meeting was made by Sue Chandler and second by Laurie Didio. Meeting adjourned at 10:15 AM.

*Minutes respectfully submitted by: Maureen Pesek*

Today based on maintaining at least 210 heads

Year	Current Payment Plan
2010	\$264,908
2011	\$279,472
2012	\$294,036
2013	\$303,600
2014	\$318,163
2015	\$337,727
2016	\$347,791

Additional Expense to ITT based on Headcount

Headcount	205-209	200-204	195-199	191-194	190
	20%	40%	60%	80%	100%

Year	205-209	200-204	195-199	191-194	190
2010	\$52,982	\$105,963	\$158,945	\$211,926	\$264,908
2011	\$55,894	\$111,789	\$167,683	\$223,578	\$279,472
2012	\$58,807	\$117,614	\$176,422	\$235,229	\$294,036
2013	\$60,720	\$121,440	\$182,160	\$242,880	\$303,600
2014	\$63,633	\$127,265	\$190,898	\$254,530	\$318,163
2015	\$67,545	\$135,091	\$202,636	\$270,182	\$337,727
2016	\$69,558	\$139,116	\$208,675	\$278,233	\$347,791

Total Amount to be Paid if HC drops

headcount	205-209	200-204	195-199	191-194	190
	20%	40%	60%	80%	100%

Year	205-209	200-204	195-199	191-194	190
2010	\$317,890	\$370,871	\$423,853	\$476,834	\$529,816
2011	\$335,366	\$391,261	\$447,155	\$503,050	\$558,944
2012	\$352,843	\$411,650	\$470,458	\$529,265	\$588,072
2013	\$364,319	\$425,039	\$485,759	\$546,479	\$607,199
2014	\$381,796	\$445,428	\$509,061	\$572,693	\$636,326
2015	\$405,272	\$472,818	\$540,363	\$607,909	\$675,454
2016	\$417,349	\$486,907	\$556,466	\$626,024	\$695,582

Proposed based on maintaining at least 190 heads

Year	Current Payment Plan
2010	\$264,908
2011	\$279,472
2012	\$294,036
2013	\$303,600
2014	\$318,163
2015	\$337,727
2016	\$347,791

Additional Expense to ITT based on Headcount

Headcount	185-189	180-184	175-179	171-174	170
	20%	40%	60%	80%	100%

Year	185-189	180-184	175-179	171-174	170
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positions eliminated through attrition:

thus  
(4) Friday

once the 4 leave, employment level ~ 225