

**Jefferson County Industrial Development Agency  
Loan Review Committee Meetings Minutes  
February 16, 2021**

**Present:** Robert Aliasso, Chair, David Converse

**Absent:** John Jennings

**Also Present:**

**Staff:** David Zembiec, Marshall Weir, Lyle Eaton, Peggy Sampson

**IDA/LDC Board Members:** W. Edward Walldroff, Bill Johnson, Paul Warneck, Lisa LøHuillier, Rob Aiken, Christine Powers

**Counsel:** Justin Miller, Esq.

**WLDC:** Don Rutherford, Kylee McGrath, Mike Lumbis, Jeffrey Smith

**DANC/NCA:** Matt Siver

**Empire State Development:** David Whipple

**Convalt Energy LLC/DigiCollect LLC:** Hari Achuthan

**Media:** Lexi Bruening from WWNY

- I. Call to Order:** Chair Aliasso called the meeting to order at 8:13 a.m.
- II. Pledge of Allegiance**
- III. Introductions:** After introductions of the participants, Mr. Aliasso gave an overview of the applications the committee would be reviewing. Convalt Energy LLC and DigiCollect LLC are both applying for revolving loan funds and Payment In Lieu of Taxes agreements. He then asked Mr. Achuthan to give an overview of the companies and his plans for the projects in Jefferson County.
- IV. Company overviews**

Mr. Achuthan thanked staff for their support during the last 5 months. He said that Convalt Energy has been in operation abroad for 7 years. He said that they are currently developing projects and have existing projects in India and Africa. He said that they made the decision to move back stateside to develop and build the pipeline, so they don't have to be dependent on China for pv panels. He said that as a manufacturer of solar panels, they will export 60%-70% of the panels to their own projects overseas.

Mr. Achuthan said that they will start small production capacity which will consist of 20,000 square feet for the development of renewable power and panels. He said the initial investment to get up and running will be \$51M. Mr. Achuthan explained some of the reasons why they chose Jefferson County. He said that in 2020 NYS created a mandate to obtain 70% of its energy from renewable energy sources by 2030. Jefferson County was attractive because of the availability of low-cost power; the available workforce created by soldiers transitioning out of the Army at Fort Drum each month, and the value of the incentive proposal submitted by the JCIDA. He also cited the area's history with paper and manufacturing; and said the timing is right.

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Mr. Achuthan said that he has been in contact with local companies to fabricate steel. He said this will help build the local supply chain. He said other materials such as electrical wires and logistics will provide spin-off opportunities plus create jobs. He said he needs attractive financing to compete.

Mr. Aliasso pointed out that the recommended terms deviate from the program criteria.

Mr. Aliasso said this is a great opportunity and a significant investment. Mr. Converse said that staff and some board members have been working on these projects since August 2020 and have completed the initial due diligence. Mr. Aliasso said that NYS has also vetted them as well.

Mr. Achuthan said DigiCollect is a digital platform which has been operating for four years. He said that they have developed 15-16 applications and have three patents pending with the Department of Energy. He said they will be building sensors to be purchased by grid operators. He said DigiCollect will be co-located in Jefferson County and will set up data centers which will utilize the cool air for cooling.

**V. Process:**

Mr. Converse asked attorney Justin Miller to provide an overview of the process moving forward so that everyone understood it.

Attorney Miller said that these are two significant, unique projects. He said that it will involve disposition of real property by the IDA and lending of loan funds for straight leaseback transactions. He said that he will prepare initial inducement resolutions to be considered at Thursday's board meeting which will indicate that the applications are complete and provide authorization to schedule public hearings. He said the resolution will also authorize the disposition notices (once the terms are firmed up) and consider and authorize a land development agreement (LDA) to enter into an exclusive option.

Attorney Miller said the LDA will help set terms and the time period for the companies to complete site planning, zoning, and SEQR. Only after the necessary permits, approvals, and funding are in place to begin construction would the JCIDA and the companies close on the property transfer and PILOT agreements.

He said the next step would be to finalize the term sheets for each of the loans between all of the agencies, all of which will be presented to the board for consideration.

**VI. Executive session:** At 9:10 a.m., a motion was made by Mr. Converse to enter into executive session to discuss the personal and professional financials of a particular individual or corporation, seconded by Mr. Aliasso. Board Members, Staff, Counsel, Inter-Agency Representatives, and Hari Achuthan remained.

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At 10:36 a.m., a motion to leave executive session was made by Mr. Converse, seconded by Mr. Aliasso.

- VII. Convalt Energy LLC Loan Request** – A request for a \$250,000 Revolving Loan to be used for working capital to develop a solar panel manufacturing facility. Staff recommends 3% interest for a 7-year term. The total project cost is \$593,000,000. Terms for collateral to be negotiated. The applicant projects 165 jobs at full operation in Year 1 and projecting 525 jobs in Year 5. The loan will be contingent upon participation by the Watertown Local Development Corporation. Mr. Converse motioned for recommendation to the full board. Seconded by Mr. Aliasso. Approved.
- VIII. DigiCollect LLC Loan Request** – A request for a \$500,000 Revolving Loan to be used for working capital to develop a software development facility to involve some manufacturing. Staff recommends 3% interest for a 7-year term. The total project cost is \$241,000,000. Terms for collateral to be negotiated. The applicant projects 175 jobs at full operation in Year 1 and projecting 1,535 jobs in Year 5. The loan will be contingent upon participation by the North Country Economic Development Fund, North Country Alliance, and/or Development Authority of the North Country. Mr. Converse motioned for recommendation to the full board. Seconded by Mr. Aliasso. Approved.
- IX. Convalt Energy LLC PILOT Request** – A motion was made by Mr. Converse, seconded by Mr. Aliasso to move the request to the full board at the special meeting on February 18, 2021. All in favor.
- X. DigiCollect LLC PILOT Request** – A motion was made by Mr. Converse, seconded by Mr. Aliasso to move the request to the full board at the special board meeting on February 18, 2021. All in favor.
- XI. Other/Unfinished Business:** None.
- XII. Adjournment:** With no further business before the committee, Mr. Converse made a motion to adjourn the meeting, seconded by Mr. Aliasso. The meeting adjourned at 10:45 a.m.

Respectfully submitted,  
*Peggy Sampson*